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As an Independent State

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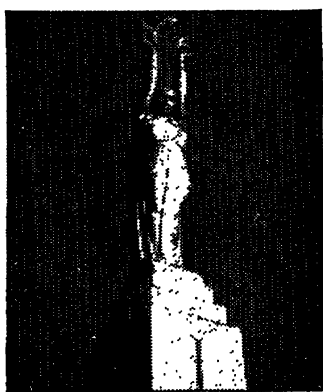


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Dr. Alfred Bilmanis

LATVIA

As an Independent State



**Top of Latvia's Monument
of Liberty**

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1947

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Riga, The Capital of Latvia

PREFACE

A handbook on Latvia is being published at this time to satisfy many requests from interested Americans who would like to know more than is offered by some dictionaries, yearbooks and almanacs, etc., about Latvia's geography, population, history, administration, cultural and economic life and international position.

The facts reviewed in this book are compiled from works of Latvian scientists, official publications, geographical and guide books.

This publication is actually a revised edition of the author's "LATVIA IN THE MAKING" which first appeared in 1928, and is out of print.

The Author

Washington, D. C.





Baltic States' Geographical Relation to Other European Countries

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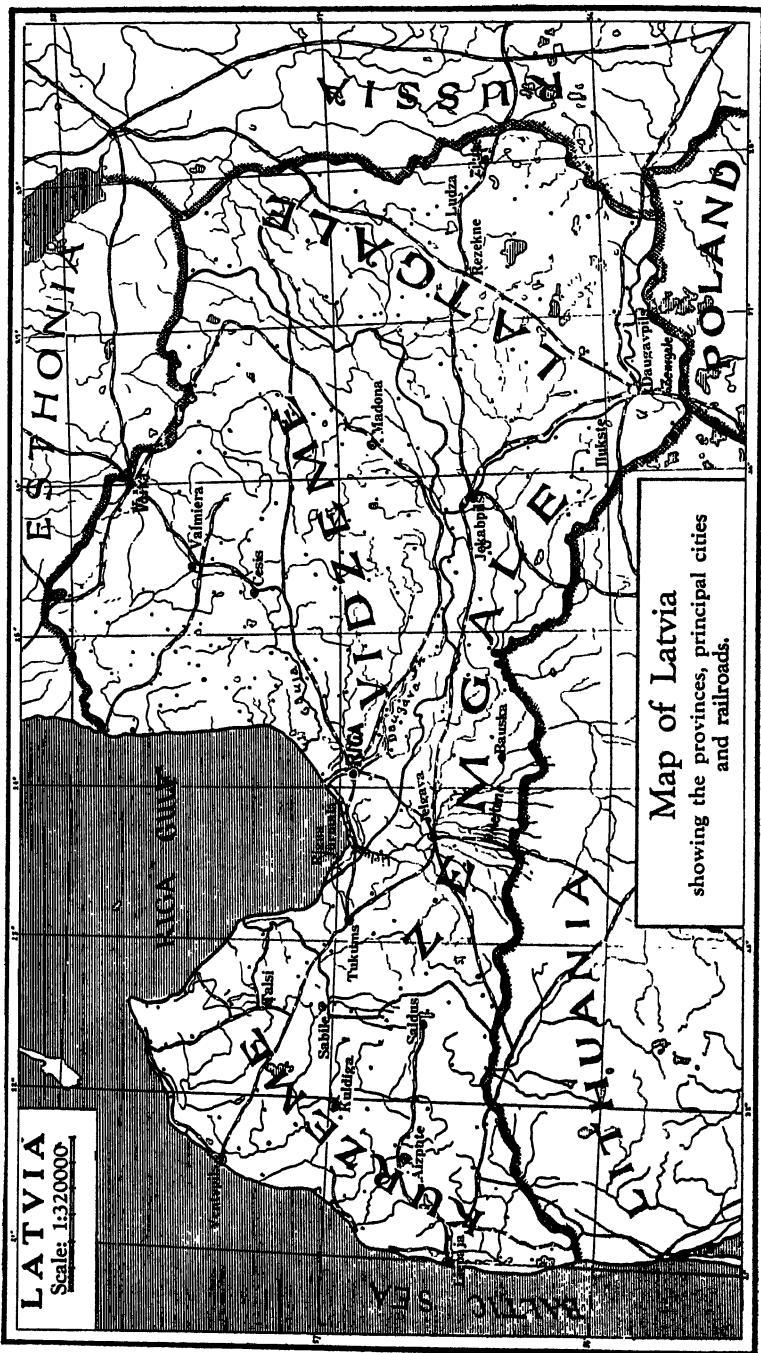
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INTRODUCTORY: LATVIAN GEOGRAPHICAL NAMES

The correct spelling of Latvian geographical names is to be found in Latvian geographical maps printed after 1918, and in the List of Latvian Post and Telegraph Offices issued by the Latvian Postal Department and duly communicated to the members of the International Postal and Telegraph Union. However, for the vernacular name of the country *Latvia* is used in English instead of the original *Latvija* (Latviya), because of the difficulty of pronouncing the Latvian sound "ija" in the English language. Consequently also the adjective of Latvia should be *Latvian*, but not the German form *Lettish* often met in English texts. The use of the form *Letts* to designate the *Latvians* is incorrect for the same reason. The Germans adopted the word *Lette*, in Latin *Lettus*, from the national minority of the Finnish Livs in Latvia, who had defigured the vernacular *Latvis* into *Laeti*.

The Finnish Livs (according to the census of 1935 fewer than 1,000 remain in Latvia) had arrived in Latvia during the V-VII centuries A.D., seeking better fishing grounds. Soon they spread over the territory between the Daugava and Salace rivers in the Latvian province Vidzeme (which the Livs defigured into "Iduma") adjacent to the northern shores of the Gulf of Riga. There they lived peacefully: there was enough land, game and fish for all.

After sailing from Visby in Gotland over the Gulf of Riga to the Baltic outlets in the twelfth century the German Hanseatics first met the Livs there and called the land they allegedly had discovered Livland, Liefland or in Latin *Livonia*. Actually it was Latvia, which at that time consisted of several Latvian tribal kingdoms: Kurzeme and Zemgale, including the district of Sēlija, south of the Daugava river, and Vidzeme, Latgale and Tālava to the north of it. According to Danish chronicles (Saxo Grammaticus), Kurzeme was a kingdom already in the second century A. D. Also Zemgale is mentioned as a principality by Scandinavian Sagas. The Latvian Daugava river was the *Austrvaegr* of the Eastern Vikings on their route down to Byzantium. A great many of medieval coins found by archaeological excavations prove that Latvia had commercial relations with Western Europe long before the arrival of the Germans. Many Latvians were even baptized and, according to the chronicler Bishop Adam of Bremen, a church was built in Kurzeme in 1045. Thus the alleged "discovery" of the new land of Livonia by the Germans was a myth put in circulation to cover up their imperialistic intentions.



The Germans had even tried—through their historians—to impress the world that they were the “Kulturtraeger” of the Baltic, i. e., brought culture to Latvia, which certainly is not true. The Roman geographer of the first century, A. D. Tacitus, testifies that the inhabitants of the northeastern Baltic Ambershore, the *aestorum gentes*, meaning the old Prussians and the Kurs, were more diligent agriculturists than the lazy Germans; they also were seafaring, had their own language similar to the Britannic and wore clothes like the *Suevi*, a German tribe. The German Balt historians also spread the legend that Bishop Albert was the founder of Riga. Neither that is true. Riga’s history goes back to the second century A. D., when it was known as the *Duna Urbs*. In Early Middle Ages it became a Viking factory (the chronicler Henricus de Lettis (sub. anno 1189 A. D.) calls Riga *portus antiquus*). At the factory were to be found a great many of storehouses, called in Latvian *rija* (riyia) or barn, evidently to store away corn, hides, flax and other export goods. Naturally there were also living houses which fact also is mentioned by Henricus de Lettis (s. a. 1200). There is no doubt that Riga has gained its name from these *rija*’s. The Latvian name *Rija* in Middle Ages was correctly transcribed in German as Riga, the letter “g” being pronounced by northern Germans like the Latvian “j”. Later the hard pronunciation prevailed—hence the modern name Riga. The English geographer Richard Hakluyt (*The Principal Navigations*, etc. London, 1589, vol. III, p. 253) uses the name *Rie* for Riga. The German historian Dionysius Fabricius (*Livonicae Historiae Compendiosa Series*, 1610, p. 17.) directly testifies that Riga derives from *rija*: *Riga nomen sortita est suum ab aedificiis vel horreis quorum a litus Dunae magna fuit copia, quas livones sua lingua Rias vocare soliti.*

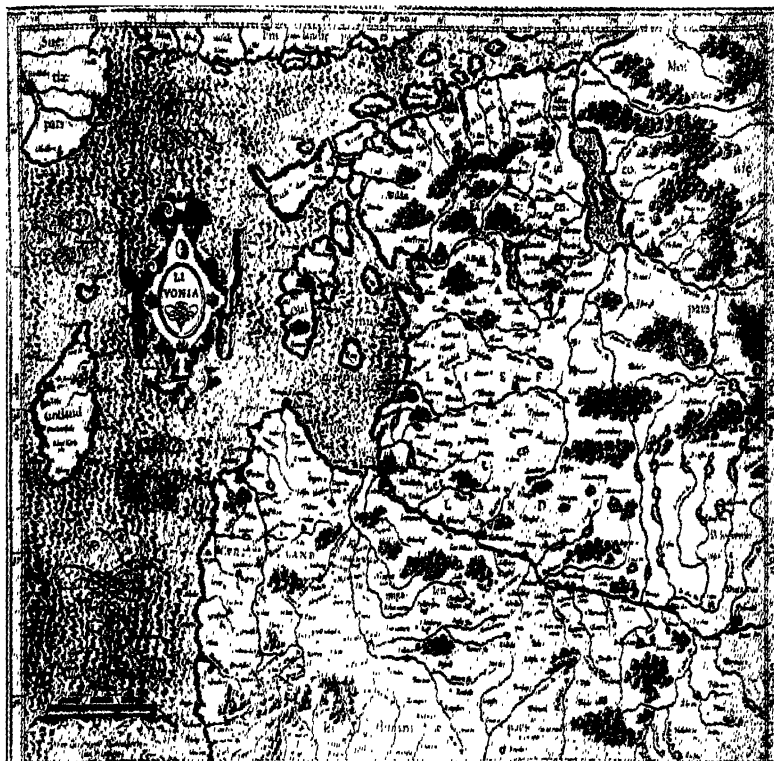
The alleged fact of Riga having been built by the third Livonian Bishop Albert in 1201, is definitively exploded by the chronicler of the Slavs, Bishop Arnold of Luebeck, a German, who wrote his chronicles in 1207. In chapter 30 of his chronicles (*de conversione Livoniae*) Bishop Arnold states that *the Augustinian Friar Meinhard in 1186 founded in Riga the Livonian Bishopric*. Thus Riga had existed already in 1186! Bishop Meinhard for some reasons transferred his residence to the purely Livian settlement Ykescola, a little bit south of Riga on the same right bank of the river Daugava. His successor, Bishop Berthold, a Friar of the Cistercians, tried to take Riga by force of arms but was defeated and killed in battle (1198). The chronicler of Bishop Albert, Henricus de Lettis, who wrote his chronicles in 1225, states that the battle in which Bishop Berthold was killed, took place at the *locus Rige*—thus also

Henricus testifies that Riga had existed before the arrival of Bishop Albert. By treachery and violence—as described by Henricus de Lettis—Bishop Albert in 1200 extorted from the Riga Elders the agreement to establish his seat at Riga, which had a strategically important position; and that's why Bishop Albert chose Riga as his residence. From Riga, as the central *place d'armes*, he begun his well planned expansion—first into the Land of the Livs.

The land of the Livs, or Livland, or *terra livonum* was only a small part of the Latvian province of Vidzeme—it did not exceed 250 sq. mi.! But the Germans grasped the opportunity to establish themselves with the relatively few Livs and offered them “protection” if they would accept baptism which they did perforce. In 1207 the Bishopric Livonia became a principality of the Holy Roman Empire and the Bishop its Prince. This small principality of Livonia with the help of a systematic crusade and by threats, treachery and violence gradually engulfed the Latvian tribal kingdoms north and south of the Daugava river. In Kurzeme, called Kurland or Curland in German, the Bishopric of Kurland or *Curonia* was established. The Bishoprics of Selonia and Semigallia, similarly established in Sēlija and Zemgale, eventually were incorporated into the Bishopric of Livonia, as were all Latvian provinces north of the Daugava. The chronicler Henricus de Lettis mentions Vidzeme as Idumea, Latgale as Lettia or Lettigallia, and Tālava as Tholova. But also these names soon disappeared from the medieval maps of Livonia, as all Latvia began to be called. A map of Livonia of 1616 * shows the names Curland and Semigalen, south of the Daugava river, and Liefland with subdivisions Letten and Esten to the north of the Duna. After Livonia's partitioning (1562) the Duchy of Kurland and Semigallen appeared south of the Duna, and the Duchy *Ducatus Ultradunensis* to the north of it. After Polish-Swedish wars (1621) the *Ducatus Ultradunensis* disappeared to give place to Swedish Livonia and Polish Livonia, the latter having been known as the Polish Inflantes (corrupt Liefland). It happened that Swedish Livonia territorially coincided with Vidzeme, and Polish Inflantes with Latgale.

The Germans during their rule had also tried to efface Latvian lake, river and city names. However, the Latvian people continued to use their own old names. Thus, f. i., German Kurland for them still was Kurzeme; Semgallen—Zemgale; Liefland—Vidzeme; Inflantes—Latgale; Libau was Liepāja (the city of linden trees); Windau—Ventspils (the bourg of the Vents, a subdivision of the Kurs); Mitau was Jelgava; Goldin-

* Gerardi Mercatoris, *Atlas sive Cosmographic Meditationes*, Amsterdami, 1616.



Map of Livonia Printed by Gerardus Mercator in Amsterdam 1616 Showing Latvia and Estonia

gen—Kuldīga; Venden—Cēsis (Tsisis); Marienburg—Alūksne; Duenaburg—Daugavpils; Rositten—Rēzekne, etc.

The River Daugava always is glorified in Latvian folksongs as “Mother Daugava” but not Duena. Likewise the names of other rivers and lakes were preserved, also names of old Latvian castlemounds; Tervete, Turaida, Krimulda, Koknese, Lielvārde, Sigulda, etc.

The different Latvian tribes had always felt themselves to be one Latvian nation: they had a common language, common traditions, folklore, common occupations and common enemies—the hated German “Black Knight” (the knights of the Livonian Order wore a black cape with a white cross).

The previously mentioned D. Fabricius in 1610 called Latvia in Latin *Lothavia* and the Latvians *Lothavi*: very close to the vernacular.

The Historian of Latvia of the beginning of the seventeenth century (himself born in Kurzeme in the fifteen-eighties)



Latvia Presented as Duchies of Curland and Liefland

Abbreviations: CP—Curlandia Propria; SE—Semigallia; PL—Polish Livonia; I.E.—Letten; EP—Estonia Propria

P. Einhorn, testifies in his *Historia Lettica*, published in 1649, that the Latvians form one nation (*Lettische Nation*) and that they are the indigenous inhabitants and the rightful owners of Liefland, Curland and Semgallen, i. e., of Latvia.

He also testifies that the inhabitants of these provinces called themselves *Latvis* and their language *Latnju walloda*. Thus the Germans did not succeed in erasing Latvian geographical names. Neither did the Russians, who during their domination used German forms for the russification of Latvian geographical names: "Kurlyandskaya Gubernya" (province) for Kurzeme, "Lifyandskaya Gubernya" for Vidzeme. The Latvians were "Latyshy"; Daugava was "Dvina"; Liepaja—Libava; Vent-spils—Vindava; Jelgava—Mitava; Krustpils—Kreitzburg; Daugavpils—Dinaburg; etc.

It is interesting to note that the Bolsheviks after the annexation of Latvia followed in tsarist footsteps with respect to the

russification of Latvian geographical names. During the German Ostland satrapy (1941-1945) the Nazis imitated the German-Balt squires and resumed germanization of geographical names in Latvia, although all Germans had repatriated in 1939-1940. Thus experiment after experiment with geographical names was undertaken by foreign invaders in Latvia with a view to deprive the country of its genuine national character. This barbarous method of trying to efface vernacular geographical names in order to cover up aggression should be stopped in the name of humanity, civilization and progress. The Latvians, like other nations, have a natural right to their own geographical names in their own land which they have inhabited since times immemorial.



**Old Riga Landmarks: City Square with Blackhead's House. In
Background Steeple of St. Peter's—Highest Wooden Spire
in the World (Destructed in the Late War)**

GEOGRAPHY

POSITION IN EUROPE

GEOGRAPHICALLY, in relation to north and south, and especially in relation to east and west, Latvia is most certainly part of Northern Europe, particularly because the longitude 25° of Greenwich, the approximate east-west center line of Europe, runs through the very heart of Latvia.

Owing to its morainal topography, many lakes, fir and pine forests and rivers flowing into the Baltic Sea, Latvia belongs rather to the European region named by the Scandinavian geographer Sten de Geer "Balto-Scandia", to which also belong Estonia and Lithuania. From the Russian plain the Baltic countries are separated by a belt of swampy forests and rivers.

The latitude of the extreme northern point of Latvia (the Garlidum farm in the rural community of Ipiki) is 58° 5' 12" N, that of the extreme southern point (the Pasek farm in the rural community of Demene)—55° 40' 23" N. The longitude of the extreme eastern point, running through the rural commune of Pasiene, is 28° 14' 30" E., and that of the extreme western point, running through the rural commune of Bernati—south of Liepaja—is 20° 58' 7" E. The latitudinal difference is 2° 24' 49" and the longitudinal 7° 16' 23", or in time 29 minutes 5 seconds. Latvia's longest axis extends east and west about 280 miles as the crow flies.¹

FRONTIERS

Latvia's frontiers are fixed by treaties with her neighboring countries. The length of the continental frontiers is about 862 miles.² Of all the Latvian frontier lines the longest is the frontier with Lithuania³—350.6 miles. The frontier with Estonia⁴ is 234.1 miles; that with Poland⁵—66 miles. The frontier with Soviet Russia⁶ is 211 miles long.

Latvia's Baltic coast line is about 310 miles long and forms 26.10% of all Latvia's frontiers. It stretches from the river Svete (Holy River), on the Latvo-Lithuanian border, north to the port of Ainazhi on the Latvo-Estonian border.

Latvia's borders with Lithuania and Estonia were traced by arbitration, and with Poland and Russia by mutual agreement.

Latvia is separated from the eastern plain of Europe or Soviet Russia by the marshes of the rivers Ritupe, Ludza and Zilupe,

¹ A. Maldups, *Latvija Skaitļos* (Latvian Statistics), Riga, 1938., p. 7.

² Op. cit., p. 20.

³ Treaty of September 25, 1920; Protocols of March 20, 1921, and October 15, 1927.

⁴ Treaties of March 22, 1920, and March 30, 1927.

⁵ Treaty of 1929.

⁶ Treaty of August 11, 1920; Protocol of April 7, 1923.

and the swampy virgin forests of Rosica-Drissa, watered by tributaries of the Daugava river and by numerous lakes. It is a truly natural ethnographic-linguistic boundary.

MAPS

The cartographic material of the topography of Latvia's territory has been systematically improved. Latvia, together with the other Baltic States, has had made a first class triangulation, and the Government of Latvia had at its disposal topographic maps of its territory in scales of 1:75000, 1:50000 and, for some parts, 1:25000. The general maps were drawn up on the scales of 1:200000, 1:400000, 1:1500000, and the international 1:100000. Topographic maps were published by the General Headquarters of the Latvian Army, the geographic maps by several private firms, of which the largest was the P. Mantnieks Cartographic Institute in Riga. The sea charts were published in Riga by the Maritime Department.

AREA

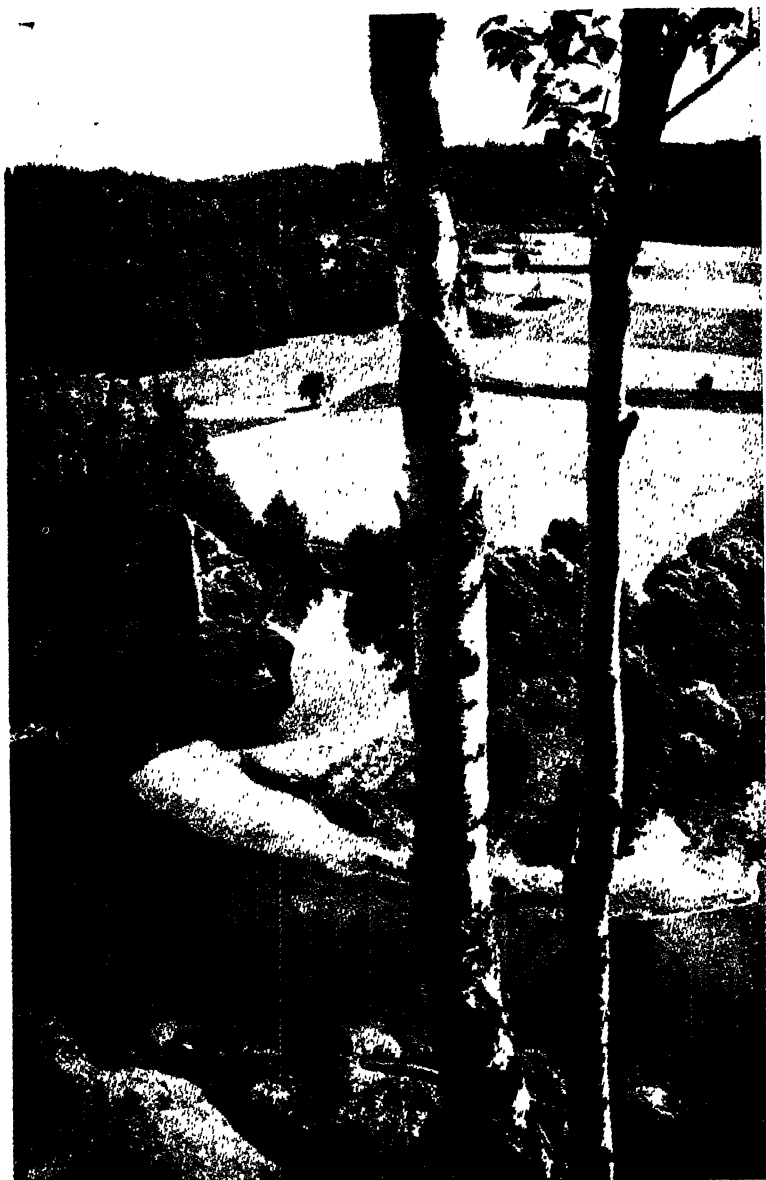
Latvia occupies 25,700 square miles. In size she ranks 19th among the 35 independent states of Europe as of 1932, and its area approximates the combined areas of Massachusetts, Vermont, Connecticut and Rhode Island, or the combined areas of the continental European Netherlands and Belgium. Latvia territorially is bigger than Albania, Belgium, Denmark, Holland, Iceland, Liechtenstein, Luxemburg and Switzerland.

SURFACE

The elevation of Latvia above sea level is not very great. The highest point, Gaisina Mountain, has an altitude of 1,023 feet. According to recent morphometric studies, the most common altitude runs up to 400 feet, and this level characteristically separates the hills of Latvia from the plains. The hypsographic curve of Latvia shows that only one-fourth of the total area is above 400 feet. The highest elevations are in the central part of Latvia; those of north-eastern Vidzeme, of Latgale and of western, eastern and northern Kurzeme follow in order. Between them lie the plains of Zemgale, with elevations up to 412 feet, and a lowland along the sea coast. If one were to calculate the average elevation of Latvia in accordance with the hypsographic curve, it would come to 293.4 feet.

GEOLOGY

According to Professor L. Slaucitajs (of the Latvian University), Latvia presents a geologically old platform of sedimentation, generally of Devonian formation. This is in compara-



View of Amata River Valley in Vidzeme

tively few cases interrupted by vertical dislocations. Old red sandstone of Middle Devon is to be found in the northern part of Latvia. The diluvial ice, moving over it, levelled the surface of the sandstone to a considerable extent. Under the weight and friction of the ice the sandstone crumbled into fine sand. The ice and the water melting therefrom carried away this material toward the south, making certain parts less fertile and less useful for agriculture. The basis of the southern part of Latvia consists of dolomite of Middle and Upper Devon.

Between the dolomite one also finds gypsum. At the southern edge of Kurzeme Permean formation Zechstein is to be found.

Moreover, in the southern part of Kurzeme there is a small region in which sediments of Jurassic and Tertiary formations have been discovered. Quarter sediments, its processes and transformations, play a decisive part in the formation of the present surface and forms of Latvia. In the oldest stage of Quarter, in the Diluvium, the ice of Northwest Europe covered Latvia twice, thus making one inter-glacial period. Almost the entire surface strata of Latvia is comprised of ice sediments, moraines and fluvio-glacial formations. In agriculture the most important are the ground moraines, the less important, the terminal. The blocking of the water melting from ice, in some parts, formed two sediments: sand and layer clay (Banderton). Sand or sanders belongs to less valuable formations, but layer clay forms fertile land and, when it is taken from greater depths, the clay (red and blue) may be utilized in the brick industry as a first class material. Drumlins and eskars are also to be found in Latvia.

In the last Quarter Age, namely in the Alluvial Age, certain changes took place in various stages, mainly in the Baltic Sea, and dunes, bogs, etc., were formed.

CLIMATE

Latvia has a comparatively mild climate, which belongs to the north-central quarter of the European continent. At the same latitude on other continents the climate has not permitted cultural development to such an extent as it has in north-central Europe. The following is a comparison between Latvia and other places of the globe having a latitude of 57°-58°:

	<i>In July (warmest month)</i>
Riga.....	64° F.
N. America, Okaka, Labrador.....	47° F.
Sitka.....	55° F.
Nijny-Novgorod, Soviet Russia.....	67° F.
Hebrid Islands.....	55° F.



Perse Valley Near Koknese in Vidzeme

From the above it will be seen that Latvia is included in the favorable climatic anomaly of Europe. This is its first geographic advantage.

The second advantage is the proximity of the Baltic Sea, an important factor in the economic and cultural life of the country, which is situated in the cyclonic and west wind section of the temperate zone, comparatively close to the Atlantic Ocean. There are no high mountain ranges between the territory of Latvia and the ocean which could hinder the flow of the west and southwest winds, but there are extensive plains, namely, northern Germany, Denmark, and southern Sweden. Moreover, the Baltic Sea, as a branch of the Atlantic, reaches the territory of Latvia and enhances the influence of the ocean and, consequently, of the Gulf-stream, upon the climate of Latvia. For this reason its climate is comparatively mild, with moderate fluctuations of temperature and humidity, and the winters are not very cold. The summers are sufficiently long to permit the cultivation of certain trees beside the pine, birch and fir, such as oak, lime, chestnut, apple, prune, plum, and walnut, and plants such as oats, rye, barley, wheat, red clover, hemp, flax, tobacco, cherries, grapes, sugar beets, asparagus, artichokes, peas, lentils, and other vegetables.

The climate of Latvia, according to the classification of Koeppen, should be included in the Boreal or DF climates



Winter Scenery in Latvia

which are moist and mildly warm. More specifically Latvia comes under subdivision DFC, Oak Type. In regard to humidity, Latvia has the characteristics of the subniveal subdivision of humid climates, mildly damp with a durable snow cover.

The warmest month in Latvia is July, the coldest January, or, as is the case of the more northern parts, February. The gradient of the average temperature within the territory is 40° in summer, 8.5° in winter (for instance Kraslava and Liepaja). The absolute maximum is 92.8° F. above, the absolute minimum 36° F. below zero. The absolute observed amplitude therefore is 128.8° . The number of days having a sub-zero temperature is 100-150 annually. In general only half of June and all of July and August are months in which the temperature is never below the freezing point.

Rainfalls are mostly in summer, especially in July and August. The average rainfall for the whole of Latvia is 27.9 inches a year (in August 4.2 inches; in January 1.2 inches). The prevailing winds for the whole year are southwest, in the winter SW and S and in the summer SW and N. Storms come up most frequently in the autumn and winter, fogs in the spring.

HYDROGRAPHY

The percentage of salt in the water of the Baltic Sea off the coast of Latvia is 7 pro mille, but in the Gulf of Riga itself only 5 pro mille, as compared to the normal salt content of ocean



Scenery in Kurzeme

water, which is 35 pro mille. In summer the surface of the water attains an average temperature of 63° F., but in the winter ice forms. The Gulf of Riga usually begins to be covered with ice in December and in particularly cold winters is completely free of ice again only in April.

The Baltic Sea is much poorer in plankton than the Atlantic Ocean and is not favorable for sharks and other voracious species. This was beneficial for the growth of smaller species of fish, which on the other hand prefer the less salted water in the Baltic. In the sea off Latvia the following fish are usually caught: small herrings or anchovies, sprats or Baltic sardines, cod, flounder and eel—all in great quantities; also salmon and lampreys that come up from the sea are caught in rivers. Seals live around the Estonian islands and the Ronu island in the Gulf of Riga, which bears its name after the seal (in Latvian “ronis”).

RIVERS

There are a great many rivers and streams in Latvia, totaling 512, of which 48 empty into the Baltic Sea. However, shipping on a larger scale is possible only on a few rivers, and the rivers are principally used for floating timber. The total usable length of these numerous rivers is only some 3,000 km. In prehistorical times the pioneering Latvian population followed the courses of the rivers until they reached the Baltic Sea shores. Thus many cities are to be found on river banks.

The numerous rapids of the rivers serve many water and saw-mills, as well as paper and spinning mills. Rapids of the Daugava, Gauja, Brasla, Amata, Jugla, and other rivers are particularly used for generating power.

The Daugava (or Duna*), the largest river of Latvia, is 627 miles long and covers a basin of about 34,000 square miles. The Daugava, which flows through the central part of Latvia into the Gulf of Riga, begins its course in Russia near the Valdai hills, and its length within the territory of Latvia is 230 miles. At Riga the Daugava is about half a mile wide, but at the mouth its width is a full mile; this part of the Daugava is called the "Red Daugava"—owing to its deep red color at sunset. (Ptolemy called it Rubo—the crimson river). Half a million tons of goods of Latvian origin are transported along this river annually, 98.5 percent of which is Latvian timber. The Daugava rapids at Kegums (in the vicinity of Riga) generate 240,000 HP of energy. At Kegums one of the biggest dams in the Baltic has been constructed.

The length of the second largest river, the Gauja or the "quick river" is 275 miles. Gauja is the main river of Vidzeme or Livonia proper. Because of its rapids it is only partly navigable, but it is particularly suitable for floating logs, as it flows through forest areas. The Gauja rapids at the hamlet of Ligate are used for generating power for the big Ligate paper mills.

The third biggest Latvian river, the Lielupe, meaning in Latvian "big river" (in Swedish—"Aa" from the Latin *aqua*), is the main river of Zemgale. It is suitable for shipping and has an inland port at Jelgava accessible for medium sea-going vessels, which enter the mouth of the Daugava, and then through the Daugava-Lielupe canal proceed to the Lielupe and Jelgava. Extensive industrial enterprises (mostly ceramical, textile and sugar) are located along its banks. However, 50 percent of the goods transported along the Lielupe consist of timber.

The fourth largest river, the Venta (called so after the Latvian tribe of the Vents), is the main river of Kurzeme for floating logs. The deep mouth of the river serves as a natural harbor ice-free the whole year around.

* The name Daugava is Latvian and means "great water." Duna is of the same origin as Donau or Dunaj and means river.



**Railway Bridges Over Daugava at Riga
Rebuilt After First World War Without Outside Help
Destructed by Fighting Nazis and Bolsheviks**

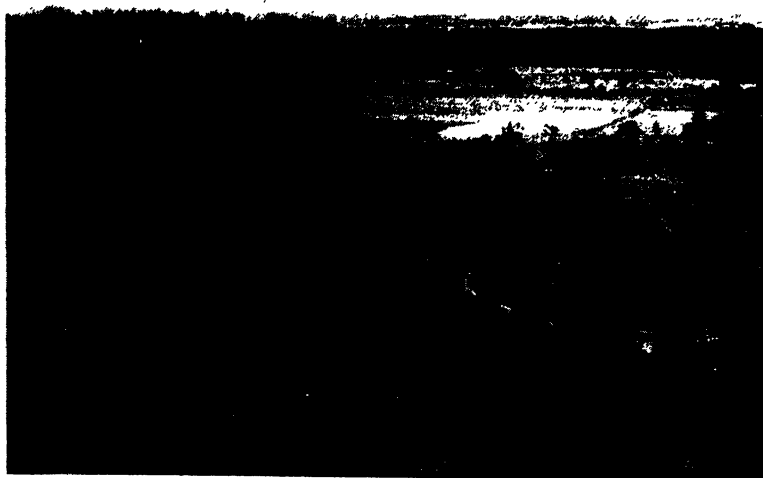
LAKES

The surface of the country being of glacial formation Latvia has comparatively many lakes, numbering 2,980 in all. The province of Vidzeme has 1,057, Latgale 769, Kurzeme 651 and Zemgale 503 lakes. The total area of the lakes of Latvia is about 300 sq. mi., which is 1.64% of Latvia's entire area. The largest lakes are: Lake Razna (55.9 sq. km.) in Latgale, Lake Engure (44.3 sq. km.) in Kurzeme; also in Kurzeme: Lake Usma (38.7 sq. km.) and Lake Liepaja (37.1 sq. km.). Around Lake Burtnieks (35.5 sq. km.), in Vidzeme, are spun countless legends: it is the lake where the "Castle of Light" is sunk, the site of the wise men, the "Burtnieki", of old Latvia.

In the vicinity of Riga lies Lake Babite (26.1 sq. km.), famous for duck hunting. Another lake near Riga, the Kish (17.6 sq. km.), is one of the foremost watering, sport and picnic places of Riga, also famous for its ice-regattas in January. An open air museum, where peculiar antique Latvian architectural structures are exhibited, has been established on the banks of the Lake Jugla, also near Riga. Traces of old lake-dwellings have been discovered in Lake Ara'shi in Vidzeme; in the same lake grows the rare waternut.

MARSHES

The marshes in Latvia occupy about 7 percent of the entire area. The majority of the marshes are moss marshes.



Forest Scenery

However, they have a large quantity of peat. In the last years thousands of hectares of marshland and sandy tracts were made cultivable.

FORESTS

About 29 percent of the total area of Latvia is covered with forests. 52 percent of the forests are white pine (*pinus silvestris*), 29 percent, fir (*picea excelsa*), and the rest consist of birch, aspen, black alder, maple, ash, elm, chestnut, walnut, linden and oak.

TREES IN LATVIAN FOLKLORE

On Christmas the fir is used as Christmas tree, on Whitsunday branches of birch trees are used to decorate rooms, and on Palm Sunday pussy-willows are in great favor. The oak tree was and still is the most popular tree and was considered by ancient Latvians to be sacred. The souls of the ancestors were supposed to dwell in the nearest oak tree.* In olden times religious rites were performed and courts were held under huge oak trees. Several such ancient oak trees of pagan times are still preserved in Latvia (some of these oaks are several yards in diameter).

In the Latvian coat of arms oak branches are used as ornaments. The rampant lion and griffin supporting the Latvian

* Evidently a reminiscence from pre-historic times, when people used to build their houses in trees.

shield stand on oak branches, which are bound together with a ribbon in Latvian national colors, crimson—white—crimson, this being the symbol of unity and strength.

The tree dedicated to the Latvian woman is the linden. In old Latvian songs a girl's beauty is compared with the slenderness of the linden tree. Linden blossoms are picked, dried and concocted into a tea used against colds, influenza, bronchitis and other ailments, and is supposed to be very effective.

The coat of arms of the city of Liepaja (Libau) in Kurzeme, the westernmost province of Latvia, shows a flourishing linden tree.

FLORA

About a thousand species of blossom plants, 42 species of ferns, 17 species of willows, 470 species of moss, 2,230 algae and 1,400 species of mushrooms have been registered in Latvia. On the island of Moritz in Lake Usma almost every single species of plant found in Latvia grows, and the island has been declared a Nature Preserve. The forests abound in different edible wild berries: strawberries, blackberries, blueberries, cranberries, whortleberries, etc.

MOST POPULAR FLOWERS

The Latvian national flower is the cornflower, although daisies and roses are very popular. But the blue cornflower still ranks first and is frequently mentioned in Latvian folk songs. In modern times the names of flowers are given to children, and often names of trees and flowers are adopted as family names.

Latvians enjoy having fresh flowers in their homes all the year around, either in pots or vases. Upon paying a visit it is considered good taste to present flowers the same as on birth- and name days. Flowers are presented to artists, singers and dancers as a token of admiration. The more flowers a young girl gets, the more popular she is. Therefore, to answer all the requirements for fresh flowers, flower shops are numerous everywhere in Latvia.

Special attention is given to graves by decorating them with fresh flowers, and for that purpose special graveplants and grave-grass are cultivated.

FAUNA

There are in Latvia 463 vertebrates: 70 species of fish, 11 amphibians, 7 reptiles, 308 birds and 67 mammals. The fauna of Latvia is essentially nordic, comprising among other species also the white hare, white partridge, eider-goose, copercaillie-

cock, heath-cock, mountain-cock, black cock, grouse, snipe, quail, wild pidgeon, ducks, etc. Of the mammals the following are still to be found in Latvian forests: the majestic elk, lynx, wolves, wild boars, deer, badgers, foxes, brown bears and ant-bears, moles, martens, beavers, polecats, weasels, otters, minks, squirrels, etc. In the Baltic Sea, besides the already mentioned seals, also porpoises and dolphins live. Latvian waters abound in all kinds of fresh water fish, such as: pike, trout, carp, perch, bream, moray, etc. The craw-fish is abundant in lakes.

The insects are also interesting. There are, for instance, several hundred species of butterflies, and a species of bee peculiar only to Latvia. Latvia is the home of the nightingale and the lark, the swallow, magpie, jay, black starling, and other rare birds. The most popular domestic bird in Latvia is the rooster and the domestic animal—the horse, both prominently mentioned in Latvian folksongs.

NATURAL RESOURCES

The question of the natural resources of Latvia is very often discussed by people who are not familiar with the geological structure and conditions in the Baltic regions. When approaching the issue from a narrow point of view it must be admitted that Latvia has very few commercially useful natural riches in her soil, and minerals like ore, coal and oil are almost nonexistent in the earth of Latvia. But if we approach the question from a wider point of view then we may say that Latvia has considerable natural resources, which for the most part have not yet been exploited and in many cases have not even been explored and investigated sufficiently to answer the above mentioned questions properly. We know that from time immemorial the shores of the Baltic Sea have been rich in amber. In the times of the Phoenicians it was an article of great value and of trade between ancient Latvia and the Roman Empire, Greece, etc.

Of known resources Latvia has considerable reserves of gypsum, limestone and chalk, serving as raw material for the lime and Portland cement industries, which are local Latvian industries. They satisfy all local needs and supply the Scandinavian markets, England and other neighboring countries. Another very important raw material is clay, which serves as the basis for a highly developed local brick and ceramic industry. Zechstein is available for chemical industries; from it good qualities of paints (ocher) are produced. The large and extensive peat bogs (an area of 650,000 hectares; 1 ha=2.471 acres) are a source of potential energy. The total amount of industrially exploitable peat in Latvia has been estimated



Meadow in Vidzeme

at 1,665,000,000 metric tons. In 1937 some 2,300 tons of peat litter as construction material (for insulation) and for packing fruit were exported, including shipments to the U.S.A.

In some places in Latvia small quantities of brown (soft) coal have been found.

In the marshes and bogs an unestimated quantity of bog-iron-ore is to be found, which, in the times of the independent Duchy of Kurzeme, during the rule of Duke Jacob of Kurzeme (1639-1682), served as the basis for an extensive iron and steel industry, and Latvian cast cannons and munitions were even exported to England and France. There are also indications that regular iron ore might be found in Latvia. But the necessary explorations with first class instruments have not yet been made.

With the development of electricity generated by hydro-electric power stations on Latvian rivers, the development of aluminum and of nitrate industries has been seriously considered.

Taking into account only the rapids of the larger rivers, whose commercial exploitation seems desirable for rural and city electrification, it has been estimated that Latvian rapids may supply 3,260 billion kilowat hours of generated electric energy annually.

Latvia has extensive layers of sulphuric mud and waters, also salt water and other mineral waters.

Last but not least, the excellent Baltic Seaports present a natural wealth which many nations do not possess but with

which Latvia, as a transit country, is ready to serve all trading and peaceful nations of the world.

LANDSCAPE

Owing to the fact that Latvia has a morainal topography, it is not peculiar at all that the Latvian landscape is different from the Russian one on the other side of the thousand-year-old frontier between Latvia and Russia, which runs along wooded marshes, swampy lakes and rivers. The Russian swampy plain extends far into Russia to the Valdai Hills. Latvia itself is a rolling country with rich forests, whereas on the other side of the frontier, in the U. S. S. R., most of the forests have been cut down. Although Latvia's soil, except for the province of Zemgale, is not very fertile and requires continual care, hard work and fertilizers, the country leaves an impression of being well cultivated. The Latvian landscape in general is attractive with green fields, pastures crowded with herds of the Latvian acclimatized brown cow and grey sheep, and pleasant meadows, squared by dehydration rows. The landscape is enhanced by national parks of gracious silverish birch, mighty oak trees and delicate linden and maple; large forests of pine trees and stream-lined firs entice the eye.

Good roads, the pride of Latvia, girdle the country—the result of diligent, incessant, centuries long work.

The windmills of Kurzeme and Zemgale remind one of Holland. Romantic little medieval cities and high curved stone bridges over small rapid rivers is the usual view of an afternoon tour from Riga in the nearby country. Cherry trees along the roads present in spring a smiling view.

RURAL LIFE

Villages, such as exist in Russia, are almost unknown in Latvia. Latvian farmers prefer to live on isolated farms amidst their privately owned lands. The picture of rural Latvia is pleasant. Latvian farms stand hidden behind trees, look peaceful and secluded. Close to the farmhouse are barns, cowsheds and other buildings built mostly of wood on stone foundations and placed on rising grounds. Wood is used as fuel for cooking and heating. A Latvian farm has usually tens of acres of forests of its own.

A Latvian farm, as an entity, is called "mājas" (maiyas). The main building, the residence of the farmer, is called the "nams"—the house, usually a two story building, a great many of which are built in the colonial style, and have slate or red tile roofs. It is usually surrounded by an orchard and flower garden with a tumult of roses, lilacs and other nordic flowers.



Typical Farmhouse in Latvia

Many beehives nestle in the shade of trees. The entrance to the house is usually covered with a small roof, supported by columns. The sills of the windows are adorned with flower pots; the windows are embellished with embroidered curtains. The large drawing room serves also as a study and a gathering place for the "saime"—the household, and for Sunday prayers, which are held by the "saimnieks"—the head of the family. Hand-woven carpets cover the floor. A harmonium and very often also a piano, a book-case and simple furniture including a sofa covered with embroidered doilies, are to be found in almost any farmhouse. Large stoves warm the rooms. In the usually large dining room benches are ranged against the wall. Also the stove is surrounded by a ledge or a bench. The "saimnieks" eats his meals as a rule together with the household. One end of the "saimnieks'" residence is reserved for bachelor farmhands. The servant-maids sleep in a separate room, or in the "klēts". This is a sort of store-house. There the dowry of the girls is kept, usually in a brightly painted chest called the "pura lāde". In the "klēts" are also stored furs, Sunday harness for horses, smoked meats, flax, hides, grain in chests and apples on shelves, etc. In the basement of the "klēts" is the cellar for milk, cream, butter, etc.

When the "saimnieks" closes his eyes forever, before bringing him to the nearest cemetery, according to an old tradition, his coffin is placed on the last night under the roof of the "klēts", which was in old times usually of straw. Hence the expression—"to place under the straw roof".

The next interesting building is the "rija"—riya—or barn, a sort of drying room, where the farmer dries the reaped ears

of grain before threshing. The threshing floor is made of clay. A big oven built of clay bricks is important. Next to the "rija" is the shed for fodder, with an attic to store hay, clover, etc. The shed is usually so big that a full hay wagon driven by two horses can enter. Sometimes, on smaller farms, the shed for fodder is under one roof with the cowshed. A silo and a well operated by a wind-mill is in the proximity. The cowsheds are built rationally, especially on the dairy farms.

Somewhere, often near a brook, river or lake, is the "pirts"—the steambath-house. The "pirts" is dug for the greater part into the earth. Inside is a huge oven made of rough boulders. When the family wishes to take a bath, the stove is heated until the stones are glowing red. Water is then poured on the stones, and the bathers lie down on the benches to enjoy the steam bath. While lying down they beat themselves lightly with small bundles of fresh birch branches (dried in winter) to stimulate the blood circulation. A supply of brooms is kept in the "klēts". In winter time after such a bath the youngsters often rub themselves with snow or jump in the brook, then hurry back into the "pirts".

On bigger farms the married children of the farmer usually have their own house somewhere in the neighborhood of the big farmhouse, also surrounded by a garden.

The married farmhands as a rule obtain some acres of land for their personal use during their contract. They usually keep a cow, some sheep, a couple of pigs and fowl. Often they possess a horse of their own when they work under the contract of a share cropper.

The Government granted farmers subsidies for the erection of separate homes for agricultural laborers to encourage them to marry and to remain on the same farm.

Agricultural machinery, such as sowing and mowing machines, harrows, manure-spreaders, reaper-binders, and potato-diggers, were used in an increasing quantity thanks to loans obtained from the State Agrarian Bank, with the idea that in this way a certain equality in labor conditions of the country and the town should be established.

Rural electrification was systematically introduced; simultaneously refrigerators, electric fans and other implements were increasingly used.

The Latvian farms are the truest and most reliable testimony to the high level of Latvia's cultural development and technical civilization. Scores of typical Latvian farms are to be found in Gleason County in the northern part of the State of Wisconsin, cultivated by pioneering Latvian farmers.

DEMOGRAPHY

RACIAL CHARACTERISTICS

Archaeological research along the Baltic-Slavic borders reveals not only great material differences (in jewelry, designs, textiles, weapons, etc.), but also physical ones to be observed in the study of the skeletons found on each side of the dividing line, which incidentally corresponds almost precisely with the ethnographic frontier between Latvia and the Soviet Union. In contrast with skeletons found in ancient Slavic (Russian) burial grounds, dating from the second to the twelfth centuries, the powerful build of the Latvian skeleton, 171–195 cms. long and with dolichocephalic crania, notably long in the face, is quite recognizable. The characteristics, indicating beyond doubt their northern race, are still to be observed to this day among their descendents, the modern Latvians.

The Latvians of today have preserved not only their language throughout the centuries, but also the characteristically “balt” (white) physical aspect of their ancestors. They are tall, mostly blonde, with blue-grey eyes, and their women are handsome. As agriculturists since time immemorial the Latvians became physically strong and powerfully built, a skilled and resourceful people full of perseverance and endurance.

Piety, deep love of their family and a profound instinct for private property, regulated by social legislation, are basic features of the Latvian character. Since ancient times the Latvians have granted equal rights to their women. The latter, it must be stressed, also shared manfully all the burdens and vicissitudes of the Latvian life, which throughout the Latvian history has been persistently a hard one.

In everyday life the Latvians have always stood for equality before law and have craved one law for all. They also believe in equality of opportunity and subscribe to the merit system in all fields of activity. They are brave and able soldiers. At the same time, they are inclined to be sentimental; they love poetry, songs, arts, music and dances.

The pride of any Latvian girl is to be skilled in the art of embroidery, cooking, and an aptitude for different household occupations. During the long winter evenings the girls spin, weave and embroider. Their dowry chest is soon filled and gifts are prepared for the expected in-laws. Latvian girls, being trained by their skilled mothers, acquire many and diverse crafts.



Holiday Gathering on a Farm

CHESS AND SPORTS

The Latvians are good chess-players. K. Betinsh (born in 1867) defeated such widely known masters of chess as Chigorin, Nimzovitch and Scheffers. He was also editor of several chess magazines and an author of chess problems. His disciple L. Mattisons (1894-1932) won the first prize at the Fifth Chess Olympiade in Paris in 1924. At Prague in 1931 he defeated the redoubtable Dr. Alyechin, Rubinstein and others. At the International Chess Tournament of 1937 held at Kemerī (a health resort near Riga) another Latvian, Petrovs, won first prize.

Regarding athletics it should be pointed out that the Latvians excel in all kinds of sports: wrestling, boxing, baseball, ice-sports, lawn-tennis; and are good sprinters and horse-back riders. Special mention should be made of the 4-H club sports practised by the country youth. Walking is the most popular sport in Latvia. Jānis Dālinsh holds the world championship in the 15- and 25-mile distances.

INFLUENCE OF CLIMATE AND GEOGRAPHY ON CHARACTER OF INHABITANTS

Latvia's soil, as already mentioned, requires continuous, diligent, labor. This condition has called forth steadfastness, immense energy and readiness to face climatic hardships and adversity which are characteristic of the Latvians. But the

special geographical and climatic characteristics of each Latvian province also have an influence on the inhabitants.

Zemgale, the province south of the river Daugava, for example, consists of a plain known for its fertile soil which has enriched the Zemgale farmers. This wealth has in turn developed in the inhabitants of Zemgale a spirit of independence and endurance which has distinguished them from time immemorial. At first contact their main characteristic may appear to be a certain aloofness, but closer acquaintance will break down this reserve and reveal a breadth of mind and acuteness of perception inspired by the highest ideals.

The farms of Zemgale give an impression of comfort with the spacious dimensions of their buildings, their solid and careful construction and their well tilled gardens. The women do not work at reaping during the harvest, although cereals constitute the main crop.

Kurzeme, the province situated along the southern shores of the Gulf of Riga, consists of a coastal plain with a group of hills in the center. The coastal dwellers have sought their livelihood from the sea, and for centuries past have been famed as fearless sailors. The inhabitants of Kurzeme proper cultivate cereals and potatoes.

Whereas the Zemgale farmer seems reserved and individualistic, the Kurzeme farmer is quiet and good natured. Since Kurzeme previously lay far from the main highways and life there was rather secluded, many old customs which elsewhere have disappeared have been preserved there.

It is noticeable that even the type of vehicle employed differs from one province to another. In Kurzeme, for instance, the horses are harnessed in pairs to carts with poles, whereas in the other province the carts are drawn by a single horse harnessed between shafts.

Vidzeme, the province situated north of the river Daugava, is fairly hilly. The soil of Vidzeme is rather poor, and some parts are difficult to cultivate. The climate is more severe than in Kurzeme or Zemgale, the winters being longer and colder. Cereal crops are therefore not so abundant and the inhabitants devote themselves more to stock-breeding. The unfavorable natural conditions necessitating harder work and greater forethought have left their influence on the character of the people, who are quickwitted and independent and can adapt themselves to almost any circumstances. The province of Vidzeme, however, has played a very important part in the evolution of the rural economy of Latvia, especially in connection with stock-breeding. Tendencies toward association and cooperation also find more marked expression there than in other Latvian areas. During the first World War, Vidzeme suffered less than Zem-



Farm Wagons

gale or Kurzeme, which were for almost two years under incessant intensive German occupation. Thus Vidzeme recovered sooner after the war.

Vidzeme's customs, too, are different. The women are often to be seen working in fields. The agricultural implements have special features.

Latgale, the southeastern province of Latvia, too, has its distinguished characteristics. In the Ice Age, long valleys were formed in this rolling country, and here there are proportionally more rivers and lakes. The climate is more raw than in the west of the country. In the farms the buildings are grouped together around the farmyards which they very often surround completely.

Before the agrarian reform Latgale was dotted with villages, but soon became a region of individual farms like Kurzeme, Zemgale and Vidzeme.

Latgale was a part of two Russian "gubernia's" or districts since its occupation by Russia in 1773, after the first partitioning of Poland. The northern part belonged to the gubernia of Pskov, the southern to Vitebsk. Whereas serfdom was abolished in Kurzeme, Zemgale and Vidzeme in the beginning of the XIX century, Latgale's peasants became free only in 1861. They were subjected to the same collective land possession by the "mir" or village after their liberation as were the Russian peasants.

This is the reason why Latgallian peasants remained economically backward compared with those of the other Latvian provinces. But this unfavorable condition changed during Latvia's independence. As the Latvian great agrarian reform of 1920 also applied to Latgale, village land gave way to private farms and conditions improved rapidly.

The Latgallians never lost their basic Latvian characteristics, regardless of foreign domination, both Polish and Russian. The peasants succeeded in keeping up the traditions and culture of their ancestors, handing them down in the form of folklore, or methods of work. This soon made them similar to their brethren of Kurzeme and Zemgale. In 1939 all Latvian farmers had almost the same mode of living.

DENSITY OF POPULATION

The density of the population was on the average 80 per square mile, but with an uneven regional distribution. The rate of the migration to the cities was not high. If we take as a rule that in order to maintain its economic balance not less than 50 percent of the population of an agricultural country should live in the country, then Latvia was strongly on the safe side and its economic life well balanced.

The so-called flow to the cities was not very accentuated in Latvia, as is to be seen from the following table:

<i>Year</i>	<i>% of rural population</i>
1897.....	70.63
1920.....	76.36
1925.....	67.18
1930.....	65.11
1935.....	65.38

These statistics prove a certain stability of the Latvian rural population, which is evidence of the favorable conditions of country life.

GROWTH OF POPULATION

Since 1800, when the population of Latvia was 725,000*, it has grown in volume and in 1914 had already reached 2,552,000—almost trebled. After World War I the population of Latvia decreased to 1,596,931 in 1920 due to the evacuation of the Latvian big industries with their workers to Central Russia during the first World War and also owing to the fact that from the war areas hundreds of thousands of the local Latvian population were driven to Central Russia and Siberia. Most

* That of Finland in 1800 was 838,000, of Denmark—929,000.

of these war refugees returned to Latvia after the Soviet Russian-Latvian peace treaty was signed. Thanks to better living conditions the natural growth again increased and in 1935 Latvia's population was 1,950,502†, and in 1939 reached two million or even more.

Every five years a census was taken in Latvia by the government in order to ascertain the electorate and distribute representatives proportionally in the parliament among the district to be elected.

*Age Distribution in Percentage**

<i>Age</i>	<i>1920</i>	<i>1925</i>	<i>1930</i>	<i>1935</i>
Up to 5.....	6.44	8.74	8.88	8.16
5 to 9.....	10.12	6.15	8.30	8.49
10 to 14.....	11.46	9.34	5.87	8.09
15 to 19.....	10.24	9.74	8.97	5.70
20 to 24.....	7.11	9.29	9.45	8.64
25 to 29.....	6.07	7.56	8.79	9.03
30 to 34.....	5.73	6.76	7.13	8.33
35 to 39.....	6.52	6.54	6.49	6.81
40 to 44.....	6.13	6.39	6.21	6.16
45 to 49.....	6.59	6.16	6.03	5.84
50 to 54.....	5.33	5.84	5.69	5.60
55 to 59.....	5.05	4.60	5.30	5.20
60 to 64.....	4.34	4.45	4.13	4.66
65 to 69.....	3.20	2.95	3.72	3.48
70 and more.....	5.38	4.46	4.77	5.69
Unknown.....	0.29	1.03	0.27	0.12
	100.00	100.00	100.00	100.00

Age Distribution in Certain Groups

<i>Year</i>	<i>Up to 14</i>	<i>15-64</i>	<i>65 and over</i>	<i>Total</i>
1925.....	24.5	68.00	7.50	100.00
1930.....	23.1	68.40	8.50	100.00
1935.....	24.8	66.00	9.20	100.00

There were more in the first and last group, with a visible trend of longer life in general. However, the productive group between 15 to 65 predominates.

Although on the average 105 boys were born per 100 girls there were nevertheless 1,139 females per 1,000 adult males. The explanation is that up to the age of 17 more girls survived children's diseases. After 17 the boys again surpassed girls.

Latvia's average (1931-1935) birth rate, 18.3, was larger than Switzerland's (11.8), Norway's (15.2), Germany's (16.6), Denmark's (17.7). Latvia's average death-rate was 13.9.

† A. Maldups. *Latvija skaitlos*. Riga, 1938, p. 34.

A. Maldups, op. cit., pp. 51-52.



Girls in National Costumes

Thus the average growth rate in Latvia for the years 1931-1935 was 4.4 per mille. It was more than in Belgium (3.9), Great Britain (3.3), Sweden (2.5) and Estonia (1.6).

Living conditions in Latvia steadily improved, so that in 1939 the growth rate already was 4.6 per mile.

The growth rate depends in general upon climatic conditions. Southern countries usually have a larger birth-rate. Better living conditions, hygiene, nutrition, education and access to medical help produce a lower death rate. Belief in strong family life, particularly cultivated by the Church, is an important factor. It is interesting to note that Roman Catholic countries, like Spain, Italy, Poland, Lithuania, usually have higher birth-rates, although France and Belgium—also Catholic countries—were deficient in this respect on account of easier birth-control and the weaker influence of the Church.

With respect to preserving new-born children, countries with more advanced social legislation have a better chance, particularly if they enjoy special labor legislation providing for socialized medicine, sickness funds, maternity aid funds, and better hygienic labor conditions in general.

With a view to improving the birth rate, Latvia's rural area was distributed in a reasonable number of mid-wife sections, who gave free service and were paid by the Government and supervised by the Ministry of Public Welfare. Midwives also gave free instructions on the care of new-born babies. Any indigent mother could apply two months before confinement for a layette consisting of 26 articles of baby linen. In 1938 more than 10,000 such layettes were distributed free of charge. Any working woman had a right to one month's leave with pay

before and one month after confinement. Day nurseries for working mothers had to be organized by factory owners. To families of farm laborers family allowances were granted and credits were extended.

In Latvia, birth-control was regulated by law, and a committee of three physicians (in a municipal or state hospital) had to decide upon it. Children born illegally had a right to use the mother's family name. The natural fathers were compelled by law to furnish aliments or go to forced labor.

With respect to the birth rate, Latvia of the 35 countries in Europe in 1939, held 15th place, to the death rate, 12th place, but to the growing rate, 19th place.

*Comparative Vital Statistics of European Countries**

(per 1,000 inhabitants in 1939)

<i>Country</i>	<i>Births</i>	<i>Deaths</i>	<i>Surplus</i>
Rumania.....	28.3	18.6	9.7
Albania.....	27.9	15.1	12.8
Portugal.....	26.5	15.5	11.0
Yugoslavia.....	25.9	15.0	10.9
Poland.....	24.5	13.8	10.5
Greece.....	23.5	13.0	10.5
Italy.....	23.5	13.4	10.1
Lithuania.....	22.3	13.6	8.7
Bulgaria.....	21.4	13.4	9.0
Finland.....	21.3	14.8	6.5
Netherlands.....	20.6	8.6	12.0
Germany.....	20.4	12.3	8.1
Hungary.....	19.6	13.7	5.9
Ireland.....	19.1	14.2	4.9
LATVIA.....	18.5	13.9	4.6
Denmark.....	17.8	10.1	7.7
Czechoslovakia.....	16.8	12.8	4.0
Estonia.....	16.3	15.0	1.3
Norway.....	15.9	10.2	5.7
Sweden.....	15.4	11.5	3.9
United Kingdom.....	15.3	12.2	3.1
Belgium.....	15.3	13.8	1.5
Switzerland.....	12.2	12.1	3.1
France.....	14.6	15.5	....

* Monthly Bulletin of Statistics. The League of Nations. Vol. XXV, No. 10, 1944 (October).

Infant Mortality in 1939
(Death under one year per 1,000 live births)

Rumania.....	176	Latvia.....	70
Yugoslavia (1938).....	144	Finland.....	70
Bulgaria.....	139	Iceland.....	66
Spain.....	135	France.....	63
Lithuania.....	122	Germany.....	60
Hungary.....	121	Denmark.....	58
Czechoslovakia (1938).....	121	United Kingdom.....	53
Portugal.....	120	Switzerland.....	43
Italy.....	97	Norway.....	37
Belgium.....	73	Netherlands.....	34

*National Distribution of Latvia's Inhabitants in 1935**
(last census)

Nationality	Number	%	Riga	%	Liepaja	%	Jelgava	%
Latvian.....	1,472,612	77.00	242,731	63.04	38,845	68.03	26,917	73.94
Jewish.....	93,479	4.54	43,672	11.34	7,379	12.92	2,039	5.93
German †.....	62,144	2.96	38,523	10.00	4,620	8.09	2,319	6.80
Polish.....	48,949	2.22	15,774	4.10	2,261	3.96		
Great Russian ‡.....	206,499	10.58	28,346	7.36	1,531	2.63	1,030	3.02
White Russian.....	26,867	1.33						
Lithuanian.....	22,913	0.65	5,788	1.50	1,532	2.73		
Estonian.....	7,014	0.30	2,210	0.57				
Livian.....	944							

In the first and second tables Latvia stands quite high. Bettering of living and hygienic conditions continuously ameliorated the situation, and that was the purpose of the Latvian government. From the third table it is evident that the Latvians are not only the indigenous, but also a homogenous population and hold in Latvia an absolute majority—77 percent.

* A. Maldups, op. cit., p. 67.

† All Germans left Latvia in 1939.

‡ In 1920 only 124,764 Great Russians lived in Latvia. The rather surprising surplus in 1935 is due to immigration.

HISTORICAL BACKGROUND

History is one of the sciences which, next to agriculture, is considered by Latvians to be of the greatest importance, owing to their eagerness to establish a clear conception of their historical past, their political traditions and national aspirations. Latvian historians proved that the Latvians as a living nation were also active participants in the historical processes which developed in their inhabited territory. Historical research established definitely that the Latvians never had voluntarily accepted foreign domination.

Latvian historians revealed that Latvia's independence, achieved in 1918, was not unexpected, artificial or casual, as its antagonists tried to insinuate. Its independence was not a creation of Versailles, but the result of a long historical process in which the Latvians always played the most active role and never forgot their national aspirations. They were a nation like other nations: they had their own territory, old civilization, culture, religion and useful occupations. Like other countries with tribal partitionalism in medieval Europe, which eventually gave way to united, national kingdoms, also the five medieval Latvian sovereign tribes—the Kurs, Zemgali, Sēli, Latgali, and Tāļavi underwent a process of consolidation, which in the XIII century was interrupted by enforced baptism with fire and sword, resulting in the establishment, not of a united Latvian national state, but of a bishopric, called Livonia, with a Prince-Archbishop as the titular ruler, but the Livonian Order as the actual dominating power.

However, the bishopric was not a German colony, as some German historians claim, but since 1207 a principality of the Holy Roman Empire, and under the special care of the Holy See. German chauvinistic historians also endeavor to present the conquest of the alleged barbaric Latvians as a great cultural deed and achievement of the German "Kulturtrægers", for which the Latvians should be eternally grateful.

Latvian historians, archaeologists, folklorists and ethnographers endeavored to collect and to publish all the relevant documents, which convincingly proved that the Latvians had not been a barbarous people, but had their own civilization, culture and state organization. Even Christianity was known in Latvia before the arrival of the German missionaries and crusaders. Latvian tribal kings of the beginning of the thirteenth century, like King Vissevald of Latgale or Lettia and King Thalivald of Tālava, professed the Christian faith before the arrival of Bishop Albert. Under pressure they renounced

HISTORIA LETTICA.

Das ist

Beschreibung der Lettischen Nation.

In welcher

Von der Letten als alten Einwohner
und Besitzer des Lieflandes, Curlandes und Semgallen
Namen, Ursprung oder Ankunft, ihrem Gottes = Dienst,
ihrer Republica oder Regimente so sie in der Heydenschafft gehabt, auch
ihren Sitten, Geberden, Gewonheiten, Natur und Eigenschaften u.
gründlich und ümständig Meldung geschieht.

Der Teutschen *Nation* und allen der *Historischen* Wahrheit
Liebhabern, zu einem nöthigen Unterricht zusammen getragen
und in den Druck verfertigt

D u r c h

PAULUM EINHORN,

Fürstlichen Curländischen Superintendenten P. M.



In Verlegung **JACOBI Sternbachs,**
Notarij Ecclesiastici Curlandiae.

Dorpt in Liefland

Gedruckt durch Johann Bogeln, der Königl. Acad. Buchdrucker,
im Jahr 1649.

Oldest History of Latvia. The Author, P. Einhorn, a German Pastor,
Considers the Latvians a Nation, the Aborigines of Latvia and Legal
Owners of All Latvian Inhabited Lands

the Greek-Orthodox religion and joined the Roman Catholic Church. Simultaneously, they submitted as flag vassals to Bishop Albert, the expositor of the Holy See and the Holy Roman Empire. The texts of these treaties exist, but the Germans were not interested in popularizing them because the knights of the crusading German Order flagrantly had broken them.*

There is also known the text of the treaty which in 1230 was signed between King Lamechinus of Kurzeme and the Papal Delegate, Bishop Balduin of Alna. Despite the fact that the treaty in 1232 was formally ratified by Pope Gregory IX, the knights of the Order ruthlessly violated it. Thus it is evident that the Holy See and the ruling Bishops in Livonia tried to create some legality in their relations with Latvian tribal rulers, which was, however, systematically undermined and violated by the knights of the Livonian Order, the protector of the Prince-Bishops of Livonia.

A long line of Popes, beginning with Innocent III, in their bulls and other acts, repeatedly condemned the misdeeds of the Livonian crusaders, but to no avail. The Emperor of the Holy Roman Empire, Frederick II, in 1224 issued a strongly worded manifesto in favor of the Latvians and other Baltic converted peoples, recognizing their rights to be equal citizens of the Empire, to enjoy their properties, privileges, etc. He expressly forbade kings, dukes, princes and other "potentates" to molest, oppress and incommode them.† This highly important document, a *sui generis* Magna Charta of the Balts, was also disregarded and never even mentioned by German Balt historians. There are also preserved in the Vatican archives many unpublished, long-worded complaints of the ruling Archbishops of Riga against the Livonian Order.‡ It becomes clear that neither Popes nor Emperors approved of the arbitrary acts of the Livonian crusaders, who often were subject to interdicts, bans and curses by the supreme ecclesiastical power. There are documents proving that Kuronian (1233) and Zemgalian (1299) ambassadors appeared before the Holy See, and that their complaints were accepted by the Pope, but they never got justice. As late as 1372 the Zemgali still struggled with the Livonian Order, as revealed by Dionysius Fabricius.§

As long as the Riga Archbishops were powerful, the Latvians enjoyed some protection. But after the Master of the Livonian Order overpowered the Archbishop, and the Livonian Order had secularized itself (in the middle of the XVI century), the

* F. Balodis *Jersika*, Riga, 1940, pp. 17-21.

† *Les Sources de l'histoire de Lettonie*, Riga, 1937, Vol. II, p. 73.

‡ E. Winkelmann. *Bibliotheca Livonia: Historica*. Heidelberg, 1878.

§ D. Fabricius. *Livonicas Historias Compendiosa Series*, 1610, ch. 68 (*Scripto res Rerum Livonicarum*, Vol. II, p. 458).



Latvian Yeoman and Wife of the XII Century as Reconstructed by Archeologist Prof. F. Balodis. (Repr. From "Det Aldsta Lettland," Stockholm, 1940, p. 204)

situation of the Latvians become worse; even then, however, they continued to be free yeomen. There are also facts proving that often Latvian militia took part in the wars of the Livonian Order. In 1559, by decree of the Livonian Diet, every third adult Latvian was mobilized to defend Livonia.

NEW LIGHT ON LATVIA'S HISTORY

The publications of all such documents proving the part the Latvians played in their history, and research in archives for more documents of such kind, was very important for Latvians, because it proved that they had been a part of the historical process of the country of Livonia, but not an amorphous mass of serfs, as constantly insinuated by German Balt historians.

In order to preserve their privileges, the Livonian self-styled German squires, fearing the rising opposition of the Latvian masses, which often took up arms against the squires, betrayed the land to everyone who promised to preserve their privileged



Castle Mound of Tervete in Zemgale—Seat of King Viesturs, the Hospitable, of XIII Century

status. In the sixteenth century, completely demoralized, corrupted and devoted only to their private interests, the Livonian squires, in view of an imminent defeat by Muscovy and left on a limb by the German Emperor, agreed to Livonia's partitioning between Poland, Sweden and Denmark, without the consent of the majority of the population. The Livonian landed nobles did this in return for the promise of recognition of the titles to their lands expropriated from Latvians by devious processes. Latvian historians have published all the pertinent documents, proving that, to the great distress of the subservient German squires, the *Privilegium Sigismundi* allegedly in 1561 confirming their landed possessions on the ground of *uti possidetis*, was never signed by King Sigismund II of Poland, and does not exist.

Also the Swedish Government, which took over Livonia proper in the seventeenth century, could not find a trace of the privileges to which the squires referred to in their remonstrances against the Swedish reduction of landed property illegally appropriated by German squires.

After establishing their rule in Livonia, the Kings of Sweden opened just courts and abolished the personal judicial rights of the German big landowners over their Latvian tenants. In 1681 the Swedish King Charles XI proclaimed the reduction of the illegally held estates and simultaneously ordered the abolition of serfdom in Livonia. In 1694 King Charles even suspended the intransigent Council of the noble German

Landlords in Riga. Also other important reforms were introduced by the Swedish Government. Taxation was stabilized, schools were opened for all classes of the population and self governing parish organizations emancipated the church from the influence of the landed nobles. However, the Great Northern War interrupted all that, and, after the war was won by the Russians, a reaction set in.

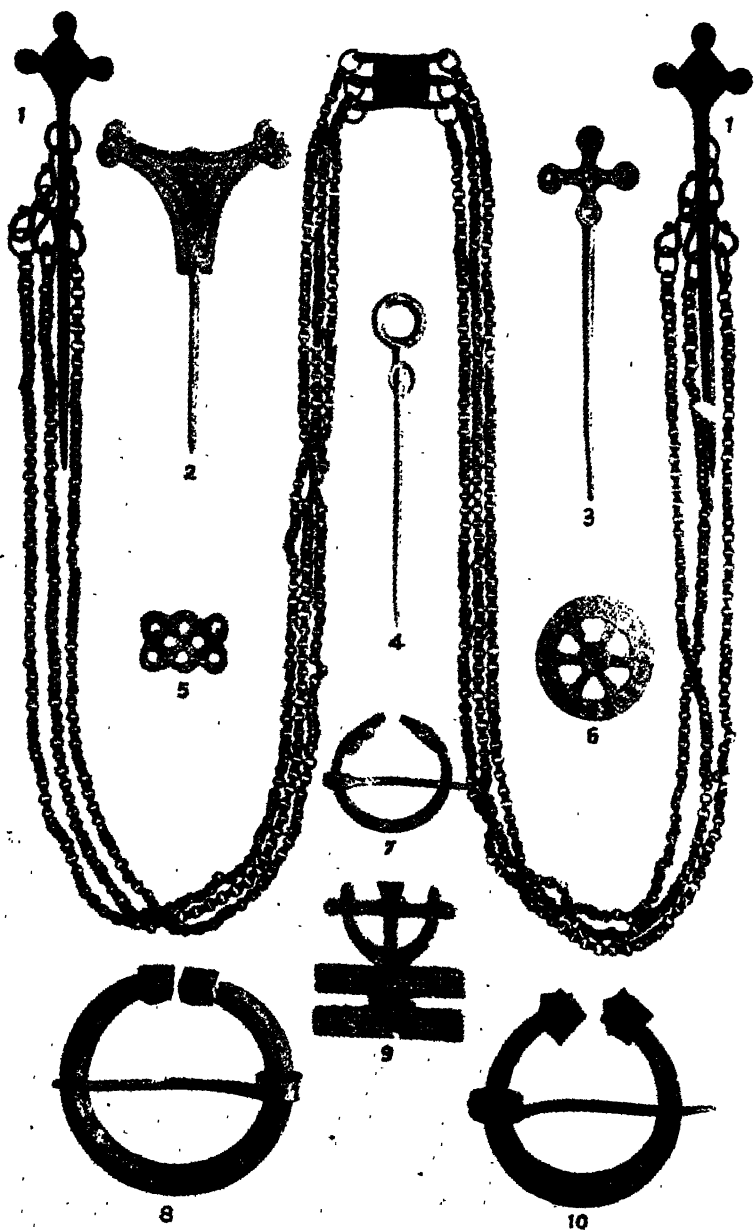
By the treaty of Nystad (of 1721), the Swedish reforms were to be preserved in Livonia also under Russian rule, as solemnly promised by Tsar Peter I "in the name of the most holy and indivisible Trinity!" Thus Latvian rights were guaranteed by an international treaty signed between Sweden and Russia; but the German squires again succeeded in fostering their own greedy aims and nullified these solemn promises by their deeds. In 1739 the German squires even came out with the notorious declaration of the Landrat (Diet councillor) Baron Rosen that Latvia—land and people—under Roman military law (*ius belli*), belonged to the Germans as conquerors of Latvia in the XIII century. This is not true, because not the German squires but the Holy See was the ecclesiastical, and the Emperor of the Holy Roman Empire, the secular sovereign of medieval Latvia. Modern German historians try to white-wash the corporation of Livonian nobles and present Rosen's act as a private one, but their efforts are not convincing.

Thus it was necessary for Latvian historians to go through every phase of Latvia's medieval and modern history in order to reconstruct the real flow of events, and they did so successfully.

The sovereigns of Latvian territory and people changed, but the Latvian people continued to exist as a nation. As a fact, the Latvians have been active in cultivating their land since time immemorial, and they produced all the wealth which the German squires expropriated. But the Latvians never had acquiesced to that.

During the darkest times of German oppression, at the end of the century of enlightenment, most powerful insurrections took place in Livonia in 1771, 1779 and 1784 against the German usurpers, but were suppressed by Russian armed forces commanded by German generals. And again in the XIX century (1802, 1805, 1823, 1830, 1844, 1863, 1899), and in 1904–05 the Latvians by their insurrections proved to the world that they were politically alive even more than before, and did not lose courage.

It is not true that Latvia in 1918 became independent only by accident as a "*cordon sanitaire*" or "barrier state" against Russia, allegedly "artificially" established by the Versailles



Bronze Costume Jewelry of the Early Iron Age, V-VIII Cent.,
Excavated in Zemgale. (Repr. From "Det Aldsta Lettland,"
Stockholm, 1940, p. 215.)

treaty. The truth is that Latvia's independence grew organically.

From the above it is clear what a fundamental role the science of history has played in Latvia. By establishing the truthful facts it has helped to strengthen Latvia's independence. It also explains the great attention Latvian public opinion, parliament and government paid to the efforts of Latvian scientists to create the necessary apparatus, prepare scientists, undertake research work abroad in archives, make excavations in Latvia—all in order to create a strong historical backbone for the nation, and to eradicate the artificial inferiority complex the German "Herrenvolk" had systematically tried to inject into the Latvian spirit. Thus, through the efforts of Latvian historians, Latvia's history has been presented to the world in its true light.

POLITICAL ANNALS

Latvia is a new state, indeed. However, there are other states which were established in the beginning of the XX century: for instance, Norway, which seceded from Sweden in 1905; Bulgaria, which proclaimed its full independence from the Ottoman Empire in 1908, and Albania, which also seceded from the Ottoman Empire and in 1912 became an independent kingdom. Six years later, after the first World War, Austria, Hungary and Czechoslovakia seceded from the Austro-Hungarian Empire and became independent. In 1917 Poland, Lithuania, Latvia, Estonia and Finland seceded from the Russian Empire. So there is nothing unusual in the fact that Latvia is a new name on the political map of Europe and that this name was not known previously in the "political annals" of Europe.

As a matter of fact, also the names of Czechoslovakia and Yugoslavia were not known in the "political annals" of Europe prior to the first World War. Czechoslovakia is the heir of Moravia, Bohemia, and the Czech and Slovak inhabited parts of Austria and Hungary. Yugoslavia is the heir of Serbia, Montenegro, Slovenia and Croatia. Latvia is the heir of the Bishopric Livonia which acknowledged no secular authority but the Holy Roman Empire, and recognized only the Pope as its ecclesiastical lord. Livonia existed from 1207 until 1561, when from it emerged the Duchy of Kurzeme, almost an independent state. The Duchy, the core of present-day Latvia, was finally annexed by Russia only in 1813, after the retreat of Napoleon. Russia lost Kurzeme again one hundred and two years later, in 1915, at the beginning of the first World War. Latvians did not lose their identity: neither Germans, Poles nor Russians had succeeded in denationalizing Latvians.

Politically Latvia belongs no more to the German world than it does to the Russian. Through centuries of struggle against foreign encroachments, the Latvians have only enhanced their national consciousness. The detested alien dominations only strengthened their determination to attain independent statehood. The Latvians are indomitable as a freedom loving nation. At the same time they strive to progress. In this respect very favorable for the Latvian national movement was the general liberal movement of the eighteen-forties in Europe. However, the Latvians had to overcome greater handicaps: they had two powerful enemies—the autocratic tsarist gendarmes, and the arrogant German squires, who both closely cooperated against the Latvians. In 1817–19 Latvian peasants were liberated from serfdom, but without land, which was expropriated by the German nobles as a quasi ransom for their personal freedom. In harmony with the general progress in Europe, in the second half of the nineteenth century, Latvian tenants also gained the right to redeem their farms, and the landless to buy lots of their own. Soon a Latvian city and country middle class emerged, and a vigorous national awakening began. Culture and progress, formerly accessible only to the higher classes, became common and at the same time characteristically Latvian. In 1868 in Riga was founded the nucleus of the Latvian National Awakening, the so-called *Latvieshu Biedriba* or Latvian Association.

The oligarchic German squires tried by all means to block this movement, and for that purpose used their powerful connections in St. Petersburg, at the tsarist court. They systematically hampered reforms, but once awakened the Latvian movement could not be stopped. Schools were opened, newspapers and monthlies appeared. Latvian literature began to flourish. In 1873, for the first time, Latvia's National Anthem—"God Bless Latvia" was sung during the first National Singing Festival. In 1878 the first political daily newspaper *Balss*, or the voice, appeared in Riga.

The political reaction of the eighteen-eighties in Russia had its depressive reflection also in Latvia. In 1887 Tsar Alexander III, guided by the imperialistic principle "one tsar, one creed, one language," began russification of the Baltic provinces. However, the Latvians stubbornly refused to become russified, regardless of promised careers. Despite all hardships a strong Latvian intellectual class appeared and supported by a vigorous press, took up the leadership of the national movement.



Objects of the Early Iron Age (V-VIII Centuries) Excavated in Kurzeme. (Repr. From "Det Aldsta Lettland," Stockholm, 1940, p. 235.)

Riga, the capital of modern Latvia, gradually had developed into the leading city on the Baltic, intellectually, economically, artistically, and also politically. The Riga Polytechnic Institute was widely known. The port of Riga became the second leading port of Russia after St. Petersburg.

Naturally, the Latvians, forming the majority of the population, could not tolerate either the still prevailing medieval agrarian conditions, the German oligarchic Diet in the country or the preponderance of the German minority in Riga. They hated also the tsarist gendarmes, who protected the Tories.

The movement against the old order in Latvia became especially strong in the beginning of the XX century.

Contact was established with similar political movements in Poland, Estonia and Lithuania. The first Congress of the oppressed Baltic nations convened in Switzerland in April, 1903.

Among the Latvian outstanding patriots who fostered this liberation movement were Dr. M. Valters, later vice-premier and envoy; the poet J. Akuraters, later active in the first Latvian National Council; Latvia's greatest poet, J. Rainis, later Minister of Education and others. They continued the policy of the leaders of the Latvian National Awakening, the great Latvian patriots of the eighteen-sixties: J. Alunans, A. Kronvalds, K. Valdemars and Kr. Barons, who had initiated the national Latvian movement and Latvian economic ascendancy and were the founders of the important political newspaper "Peterburgas Awihses", in 1865 suppressed by the Tsarist Government as result of German intrigue. Their activities were taken over by the fighters of the second and third generation of the freedom loving sons of Latvia.

The above mentioned Baltic Congress of 1903 decided to make the struggle against tsarist domination and the privileges of the big landowners a common cause.

It is to be stressed that at that time an important part in the autonomous movement everywhere in the Baltic was played by the national wing of the socialist parties. The Polish and Baltic socialist parties then advanced the idea of independent national states as the best protection for peasants and workers, both socially and economically. They believed that only a credit and finance system controlled by their own nation would be able to promote national economies, which were egotistically disregarded by the big oppressor state, Russia, for the benefit of Russia proper. Russia, for instance, realized considerable budget surpluses from Latvia, Poland, Estonia and other western borderlands, after having charged to them an unproportionally big part of its own administrative, army, court and diplomatic service expenses. This is how the cities of Russia

proper as well as Russian big landowners and industrialists received cheap credits.

The so-called allogeneous peoples on Russia's western borders (the "inorodtzi") were exploited and neglected, and quite naturally—they insisted on reforms and more rights.

In the first place, schools for Latvians, Latvian court language, were demanded, also better conditions for workers and farmhands, rural self-government, universal elections for city municipalities and the local Diet, freedom of conscience, press, associations, assembly, etc.

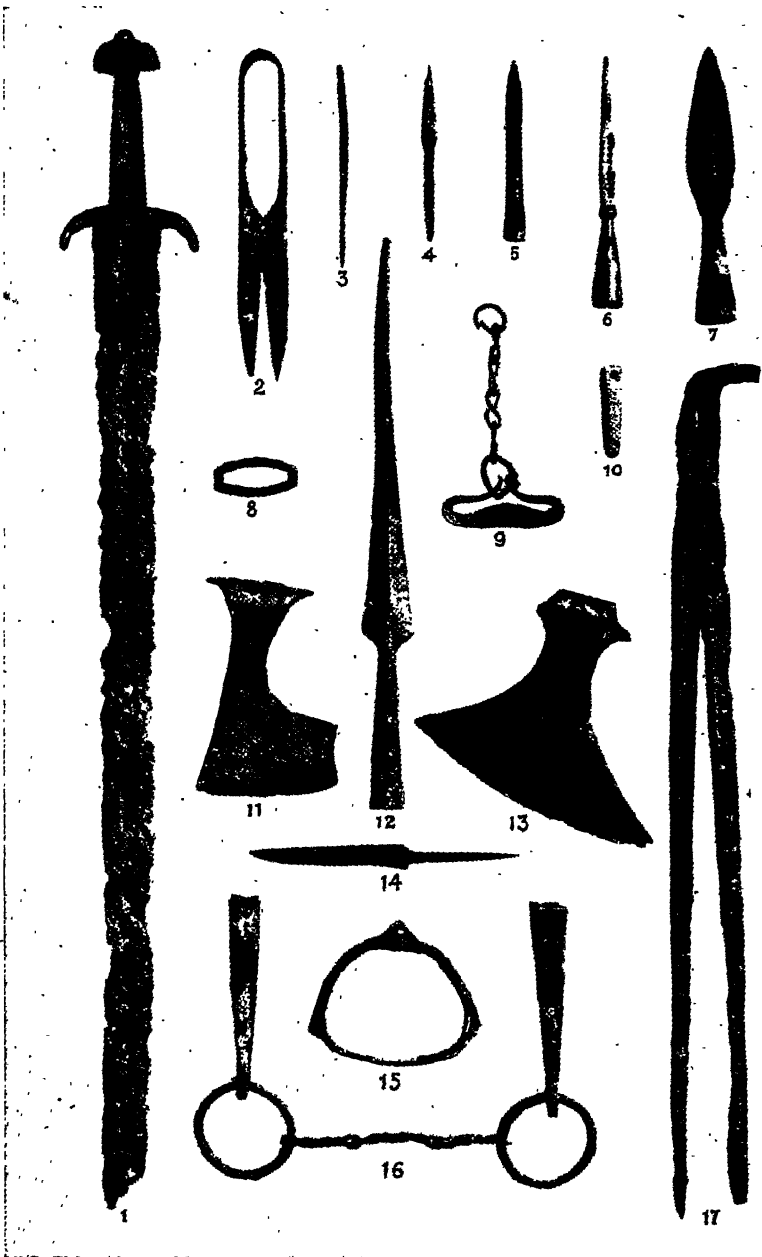
Today for normal people this all sounds very reasonable. At the beginning of the twentieth century it was condemned by tsarist Russian authorities as radicalism and opposition against the established "good order" and the "historical privileges" of the "backbone of the throne": the German landed nobility.

In December, 1904, a revolution broke out in Latvia which gained momentum in January, 1905. Bloody fights took place between the Latvian revolutionary militia and the Russian gendarmes and police subservient to German landed nobles. Soon the Russian administration was cleared out of Latvia. In Riga in October, 1905, a so-called Federal Committee was established, which was considered the highest authority for all the local revolutionary committees in the counties. The Latvians demanded the election of their own Constituent Assembly.

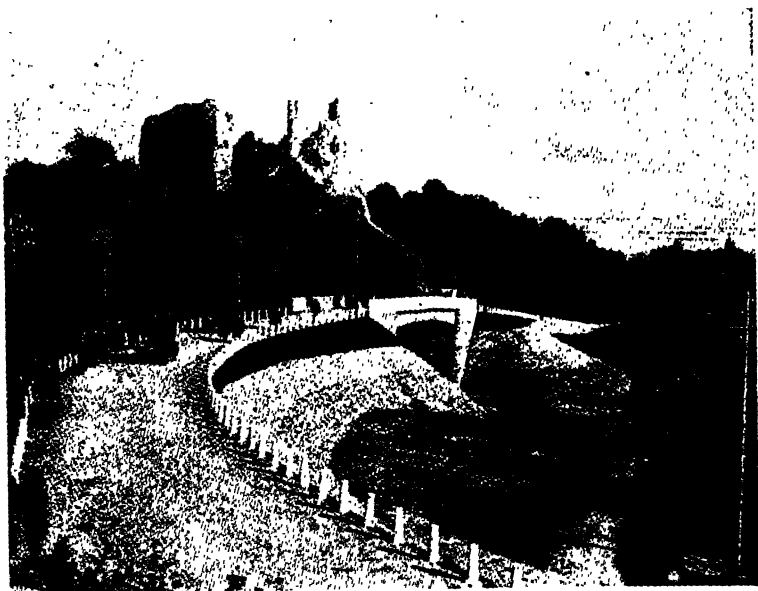
The German court camarilla in St. Petersburg together with the frightened Russian reactionaries were especially eager to suppress the political movement in the Russian western border region, which was contagious and a "bad" example for the oppressed Russian masses.

The real welfare of Russia would have dictated liberal reforms in order to attract the majority of the non-Russian western border population to Russia's side. But instead of that it was decided to crush the rebellion in the Baltic and Poland with armed forces. Cossacks from the Don and regiments of imperial guards, artillery and cavalry were concentrated in large masses against the Baltic from three directions, St. Petersburg, Pskov and Smolensk. This was effected after the rebellion in Russia itself was quelled.

At the same time some insignificant reforms were promised by the Russian Government in order to split the more conservative Latvian middle classes from the revolution; for instance, participation of Latvian representatives in the Russian Duma, and peasant reforms. In January, 1906, Russian punitive squads appeared in the Baltic, and with the help of German big landowners, disguised as Russian honorary police officers ("Selbstschutz"), they did a bloody job. Hundreds of Latvian



Weapons and Tools of the Early Iron Age (V-VIII Centuries)
 Excavated in Kurzeme. (Repr. From "Det Aldsta Lettland"
 Stockholm, 1940, p. 233.)



Koknese Castle on Daugava River
Seat of Latvian Tribal Ruler Vetseke (the Elder) in 1205

farms were burned in retaliation for several destroyed baronial manorhouses, and thousands of patriotic Latvians, people conscious of their rights as good citizens, were either shot or deported to far Siberia. The blackest and bloodiest reactionary forces again raised their heads. A mass emigration of Latvians to Canada, to the United States and to Brazil began.

RUSSIFICATION RENEWED IN 1908

As an alleged liberal concession a mock committee for reforms was set up in 1907 by the Russian government in Riga, which was presided over by the Russian Governor-General, but had a majority of German landed nobles. This committee had to work out rules which would permit farmers also to be represented in the local Diet, as was already practiced in the Russian local "Zemstvo". The German squires cooperated very unwillingly and sabotaged the work of the Committee. The Russians were pleased with such an attitude of the nobles and in 1908, the same year when a rapprochement with republican France took place and in the Hague the International Peace sessions, the ruthless russification in the Baltic, begun by Tsar Alexander III, was resumed by secret order of Premier A. Stolypin, who cajoled the Russian Tories in order to keep his position as prime-minister. However, he was mysteriously killed in 1910 in Kiev. His successors were even more reac-

tionary. The dangerous political tension grew worse. Only the first World War postponed a new political explosion in Russia.

The sole place for the Latvians to continue the fight for reforms was the Russian Imperial Duma—a pseudo parliament—to which several Latvian and one Jewish representative were elected. (Incidentally, not a single German nor Russian representative was elected; they did not gather enough votes even for one representative!) However, the German nobles were represented in the most powerful Russian State Council, members of which were nominated by the Tsar and partly elected by the landed nobility.

The Latvians at that time became quite conscious that the reactionary status of the oligarchic Diets in Kurzeme and Vidzeme had to be changed fundamentally, and that they had to have their naturally deserved majority also in the territorial Diets. Latvian political consciousness grew. The answer of the tsarist government to that was a curtailment of representation of Latvians in the Imperial Duma from eight representatives to only two. The first World War changed the situation.

PARTICIPATION IN FIRST WORLD WAR

In spite of the existence of strong Russian military and naval bases in Latvia (at Liepaja and Ventspils), the Russian armies soon after the beginning of the first World War were pushed out of Kurzeme by the German tide. By 1915 all Kurzeme was in German hands. At that time the Latvians, regardless of their strong antipathy for tsarist domination, did not take advantage of the grave situation in Russia itself. They organized their own voluntary rifle regiments to resist the Germans, their traditional enemy. The conviction existed that, after the war, the Latvians would at least obtain territorial autonomy and the right of self-determination. During 1915–1917, 32,000 Latvian officers and men—out of a contingent of about 180,000—were killed in action, an enormous casualty list for a nation of about two million.

SECESSION FROM RUSSIA

After the downfall of tsarism the Russian Provisional Government reluctantly granted to the Latvian provinces of Vidzeme and Kurzeme (on July 5, 1917) a limited “Zemstvo”—territorial self-government, which the Russian “gubernias” or provinces had possessed since the eighteen-sixties. Thus, in the present situation, this “reform” was an empty gesture, and besides, far insufficient for such an advanced nation as the Latvians, who were conscious of their great sacrifices in the war



Ruins of Medieval Castle of Bauska in Zemgale

and had a traditional autonomous political ideology and program.

The Political Conference of all the Latvian groups held in Riga on July 30, 1917 (on July 21, 1917, A. Kerensky had become Premier) demanded the right of self determination, political autonomy, a Diet elected by universal, secret and equal suffrage and proportional representation for racial minorities. The legislative, executive, judicial and local administrations should be vested in the Diet. The conference also protested against the intended annexation of Kurzeme by Germany and declared that Latvia had to be united territorially.

However, the Kerensky dictatorship in Russia took no notice of all these legitimate Latvian demands.

In September 1917, the Germans were already in Riga, because the collapse of the Russian front was almost complete. The strongly decimated Latvian army could not possibly resist alone, but neither did the Latvians surrender. Under heavy enemy fire they slowly retreated to the East. Some part of northeastern Latvian territory was still unoccupied by Germans in November. At the time when the Bolsheviks in Russia proper overpowered the Russian Provisional Government by a *coup de force* on November 7, 1917, the Latvians decided to take their fate into their own hands. A Latvian National Assembly was convoked in Valka, in northeastern Latvia, free from German occupation. On November 17, 1917, the Assembly elected a Latvian Provisional National Council. On November 18, 1917 (old style), this council proclaimed

Latvia's full self determination and established a permanent governing body with a department of foreign affairs. A delegation was dispatched abroad to establish relations with foreign countries, especially with the Allies. The decision of Latvia's full self determination was communicated on January 5, 1918, to the Russian Constituent Assembly. Thus Latvia's relations—with Russia were broken forever. The Latvian National Council also protested against the German-Bolshevik separate peace treaty which delivered Latvia to Germany.

NATIONAL COUNCIL ESTABLISHED

Eventually the Allies with America's help defeated Germany.

On November 11, 1918, on Armistice Day, the Germans under Allied pressure denounced the Brest-Litovsk Peace Treaty with the Bolsheviks, and the British Government recognized the Latvian Provisional National Council as the Provisional Government of Latvia, and the representative of L. P. N. C. in London, Z. A. Meierovics,[†] as the Latvian unofficial envoy.

The German occupation forces in Latvia and in the other Baltic States collapsed, and the Latvians again became masters of their capital, Riga.

On November 18, 1918, in Riga the members of the Latvian Provisional National Council, the representatives of the Latvian Democratic Bloc of Riga, to which also belonged the representatives of the Latvian socialist parties and of national minorities, joined in the regular Latvian National Council or *Latvijas Tautas Padome*, and elected as its President Janis Tschakste and as Vice-President Gustavs Zemgals. The latter in 1927 became Latvia's second President of State, after the death of President J. Tschakste.

On the same day, in Riga, Latvia's first Government was elected by the Latvian National Council.

The solemn declaration of Latvia's Independence was announced at this time in the capital, Riga, liberated from the Germans, by Karlis Ulmanis, Latvian Prime-Minister, incidentally, a graduate and former instructor of the Agricultural Department of Lincoln University, Nebraska.

The chief aim of the National Council was to organize Latvia's defense and state administration, to reconstruct devastated Latvian economy and to elect a Constituent Assembly.

SOVIET AND GERMAN INVASION REFUSED

Great difficulties awaited the young state of Latvia. It lay prostrate, her powers drained in the great devastation of war

[†] In 1918 Meierovics became Latvia's first Foreign Minister. His successful career was interrupted by an automobile accident in which he died in 1925.



Latvian Leaders in War of Liberation. Left to Right: Prime Minister K. Ulmanis, Foreign Minister Z. Meierovics and Commander in Chief General J. Balodis

and revolution, her new government barely established, her borders wide open.

The Bolsheviks, who on November 13, 1918, had denounced the Brest-Litovsk peace treaty, took advantage of the situation and formed in Russia a Latvian communistic "quisling" government, headed by a Latvian communist, P. Stutschka. This Soviet government invaded Latvia with Russian troops in December 1918, and occupied Riga on January 3, 1919.

The Bolshevik aim was to come into direct contact with "revolutionary Germany." The Latvian army first retreated to Kurzeme, the southern province of Latvia, where it reorganized its forces. On May 22, 1919, Riga was liberated from the Bolsheviks with the help of the "Landeswehr", a military formation of local Germans. This local German militia, reinforced by disguised German troops from Kurzeme, tried to become master of Latvia and Estonia, but was defeated on June 22, 1919, at Cesis (Tsēsis) in Vidzeme by joint Latvian-Estonian armed forces. The rest of the defeated German formations, however, continued to linger in Kurzeme. In November 1919 these military formations, now disguised as Russian monarchists, under the command of a German stooge, a Russian pseudo-colonel Bermond, were also defeated and driven out of Kurzeme. Germany took these defeated troops under her protection, and that was the reason why Latvia considered herself to be in a state of war also with Germany.

The fight for Latvia's independence was led by the popular Latvian General Janis Balodis, later Minister of War and Vice-President.

Finally, at the end of January 1920, the Bolsheviks were thrown out of Latvia completely with the help of Polish troops.

After a 2-year bloody struggle for Latvia's independence, treaties of peace were signed with Germany on July 15, 1920, and with Soviet Russia on August 11, 1920.

It is worthwhile re-reading Article 2 of the Treaty of Peace between Latvia and Russia, signed at Riga on August 11th, 1920, which reads as follows:

ARTICLE 2

"By virtue of the principle proclaimed by the Federal Socialist Republic of the Russian Soviets, which established the right of self determination for all nations, even to the point of total separation from the States with which they have been incorporated, and in view of the desire expressed by the Latvian people to possess an independent national existence, Russia unreservedly recognizes the independence, self-subsistency and sovereignty of the Latvian State and voluntarily and for eternal times renounces all sovereign rights over the Latvian people and territory which formerly belonged to Russia under the then existing constitutional law as well as under international treaties, which, in the sense here indicated, shall in the future cease to be valid. The previous status of subjection of Latvia to Russia shall not entail any obligation towards Russia on the part of the Latvian people or territory."

This article of the Peace Treaty presents a clearly expressed international obligation, freely and voluntarily assumed by the U. S. S. R. The treaty was registered at the League of Nations Treaty Registry.

INTERNATIONAL RECOGNITION

On January 26, 1921, Latvia was recognized *de jure* by the Great Powers of Europe and by the greater part of the American Republics.

On September 22, 1921, Latvia became a member of the League of Nations. More recognitions followed.

On May 30, 1922, Latvia signed a Concordat with the Holy See.

On July 28, 1922, the United States of America granted full recognition to independent Latvia, without any reservations or restrictions.

LATVIAN CITIZENS

As such are considered all individuals born in Latvia or abroad from parent-Latvian citizens, and who meet the requirements of the following Law.

Latvian Citizenship Law

(Collection of Latvian Laws No. 127, 1919, as supplemented and amended.)

Paragraph 1. Every subject of the former Russian State, without distinction of race and creed, residing within the limits of Latvia, or who is a native of the regions included in the territory of Latvia, or who belonged to the aforesaid regions on the strength of the laws of Russia before the 1st August, 1914 is considered a citizen of Latvia, provided he or she has not become a citizen of another State before the publication of this law.

Paragraph 1a. (As amended and supplemented by Law No. 93, Collection of Latvian Laws, 1927.) Likewise every subject of the former Russian State, without distinction of race and creed, who has resided within the limits of Latvia since the 1st of January, 1925, has not become subject of any other State before the coming into force of these amendments and supplements and—

- a. Has lived within the limits of Latvia at least for six months before the 1st of August, 1914, or
- b. Has had permanent residence within the limits of Latvia up to 1881, or
- c. Is a descendant of persons mentioned under a. and b.

The privileges mentioned in this Paragraph shall be enjoyed by persons who, satisfying the above mentioned requirements, file a petition with the Minister of the Interior for a Latvian passport before the 1st of February, 1928. The privileges mentioned in this Paragraph shall be denied to persons who lived in Latvia during the years 1918, 1919 and 1920, and, being of military age, did not report at the mobilization proclaimed by the temporary Latvian Government.

Paragraph 2. Persons who live temporarily abroad, but otherwise meet the exigencies of Par. 1, do not forfeit the claim to Latvian citizenship: if within one year from the issuance of this Law (August 23, 1919. Ref.) they return to Latvia, or register as Latvian citizens with a Latvian diplomatic-consular establishment abroad, or if they inform the Minister of Interior of their desire to remain Latvian citizens.

Remark 1: (As amended by Law No. 93, Collection of Latvian Laws, 1927). In states with which Latvia has not yet established diplomatic relations, the year's term begins with the date of establishment of such relations. The newly established diplomatic representation has not the right to register as Latvian citizens persons who arrive from states where a diplomatic representation already exists, and where these persons had the possibility to use option rights, if such persons left the respective foreign state after the term of option had expired.

Remark 2: (As supplemented and amended by Law No. 93, Collection of Latvian Laws, 1927, and Law No. 87, Coll. L. L. 1932.) Persons who have registered or applied for citizenship as provided in Par. 2 do not lose the right to Latvian citizenship until January 1, 1937, if they take out their passports. Otherwise the registration and declaration are to be considered invalid.

Paragraph 2a: (As supplemented by Law No. 93, C. L. L., 1927.)

Seamen who at the time of the issuance of these amendments and supplements sail on foreign ships, are so employed and are temporarily living abroad, but otherwise meet the requirements of Par. 1, do not lose their claim to Latvian citizenship if they within one year's period from the issuance of this supplement and amendment (June 2, 1927. Ref.) return to Latvia or register as Latvian citizens in a Latvian mission abroad, or inform the Minister of Interior in writing that they wish to remain Latvian citizens and take out a Latvian passport.

Paragraph 3: (Canceled by Law No. 93, Collection of Latvian Laws, 1927).

Paragraph 4: (As amended by Law No. 93, Collection of Latvian Laws, 1927). Subjects of foreign countries and stateless persons may be admitted to Latvian citizenship if they have lived not less than five years uninterruptedly within Latvia's frontiers. The application must be submitted to the Minister of Interior, and shall be decided by the Cabinet of Ministers.

Remark 1: The period from August 1, 1914, to August 1, 1919, shall not be included in the five year's term mentioned in Par. 4.

Remark 2: (As formulated by Law No. 179, Collection of Latvian Laws, 1938). The Cabinet of Ministers may grant Latvian citizenship to aliens and stateless persons even if they have not lived in Latvia for the term of five years prescribed by Par. 4, but if they serve or have served in the Latvian Army, and if the Minister of Interior takes the initiative after an application has been presented to him.

Remark 3: (As supplemented by Law No. 93, 1927 and amended by Law No. 87, Coll. L. L. 1932.) Stateless male persons who have lived the necessary time in Latvia (five years. Ref.) and who desire to acquire Latvian citizenship, must submit their application for Latvian citizenship to the Minister of Interior not later than at 30 years of age. Otherwise they lose the right to Latvian citizenship.

Remark 4: (As supplemented by Law No. 93, 1927.) Persons who have lost Latvian citizenship in conformity with paragraphs 8 or 9 of this Law, but desire to regain it, must reside within Latvia's territory for the period provided in Paragraph 4, counting from the date of losing their citizenship.

Paragraph 4a. Persons sentenced to imprisonment for crimes of fraud, theft, etc., or persons sentenced to major punishments shall not be admitted to Latvian citizenship either under Paragraph 1a or under Paragraph 4. Likewise persons who are under trial or investigation for the above cited crimes cannot be admitted to Latvian citizenship until their discharge or acquittal.

Paragraph 5: (Obsolete.)

Paragraph 6: Decisions granting citizenship shall be published only after the newly admitted citizen has taken the due oath of allegiance or delivered the solemn promise. The rights of citizenship are considered as being acquired simultaneously with the delivery of the mentioned oath or solemn promise.

Paragraph 7: (As amended by the Law of June 2, 1927, Valdības Vēstnesis No. 121, Collection of Latvian Laws No. 93, 1927.)

The citizenship of minors, including legitimized and adopted children until legal age (21 years in Latvia. Ref.), follows the



Monument of Liberty in Riga

citizenship of their parents or foster parents. A woman acquires the citizenship of her husband by marriage. A woman of Latvian citizenship after the termination of her marriage with a foreigner may reacquire Latvian citizenship in the manner provided in Paragraph 2 without any time limit. A woman without citizenship, who until her marriage had a right to Latvian citizenship, but who through marriage had lost such right, and whose husband is for five years an absentee, may reacquire Latvian citizenship.

Remark 1: A woman of Latvian citizenship who marries a stateless person or a subject of a state which does not by law grant citizenship rights through marriage, retains her Latvian citizenship.

Children born of a marriage between a Latvian female citizen and a stateless person are considered Latvian citizens. Also infant children who after the divorce of their parents or after the termination of the marriage by the death of the husband are left in the care of the mother, if the mother reacquires Latvian citizenship, are considered Latvian citizens.

Remark 2: Minors who have no national passports and the whereabouts and citizenship of whose parents are unknown, as well as orphans and foundlings, shall be regarded as Latvian citizens.

Paragraph 8: No person can at the same time be a Latvian and a foreign citizen, otherwise he shall lose his Latvian citizenship rights.

Paragraph 8a (As supplemented by Law No. 93, 1927, and amended by Law No. 179, Coll. L. L. 1938). The Cabinet of Ministers can deprive citizens living abroad of Latvian citizenship:

1. Who avoid military service in the Latvian Army or; 2. who perform activities harmful to Latvia.

Paragraph 8b (As supplemented by Law No. 28, Coll. L. L. 1930.) The Cabinet has the right to deprive a person of citizenship who has lived abroad more than three years without a foreign passport or with a non-valid foreign passport.

Paragraph 8c (As supplemented by Law No. 29, Coll. L. L. 1930.) Persons who have acquired Latvian citizenship by making false statements or presenting forged documents, or have supplied witnesses who have falsely testified, can be deprived of their citizenship in the same way as it was granted them. The Statute of Limitation is five years counting from the day of acquirement of citizenship.

Paragraph 9: Latvian citizens desirous of renouncing their Latvian citizenship shall apply to that effect to the Minister of Interior. The application shall contain the name of the state whose citizenship the applicant intends to adopt, and to the application shall be added a certificate from the respective state to the effect that the latter agrees to admit the applicant to its citizenship.

Paragraph 10: (As Supplemented by Law No. 20, Coll. L. L. 1921, and amended by Law No. 93, Coll. L. L., 1927, and Law No. 87, Coll. L. L. 1932.) Aliens admitted to Latvian citizenship under Par. 4 of this Law shall pay a non-recurrent fee of

20 lats for the benefit of the State. In special cases the Minister of Interior can exempt the newly admitted citizens from the payment of this fee.

Paragraph 11: The Minister of the Interior issues instructions for the carrying out of this law.

LAW REGARDING FOREIGN PASSPORTS

Law No. 22, Collection of Laws, 1936, published on February 26, 1936, in the *Valdības Vēstnesis* (governmental gazette), provides that Latvian citizens may travel and reside abroad, and recross the Latvian frontiers only if they have a foreign passport.

Remark: Only Latvian citizens belonging to a Latvian ship's crew, when they travel abroad on this ship, or travel individually abroad to enroll on a Latvian ship, may reside abroad and return to Latvia with a domestic passport.

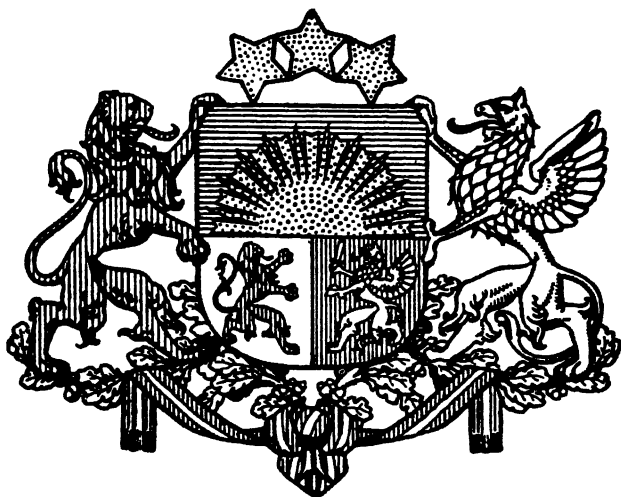
Also other Latvian citizens may travel with domestic passports to countries with which Latvia has by mutual agreement abolished foreign passports in mutual communications.

Foreign passports are issued and prolonged in Latvia by the Ministry of Public Affairs, and abroad by Latvian Diplomatic and Consular establishments, in accordance with the Consular Ordinance, approved by the President of State on December 7, 1935, and Instructions for the Consular Service, issued by the Ministry of Foreign Affairs in 1936, as published in the "*Valdības Vēstnesis*", 1936, No. 206-211.

CONSULAR DUTIES

The duty of a Latvian Carrier Consul, according to the Latvian Consular Ordinance is to protect and to promote the interests and rights of Latvia (Paragraph 11 of Consular Ordinance). The Consul keeps a register of all Latvian citizens residing in his district (Par. 12), and also a register regarding the civil status of all Latvian citizens within his Consular District. By virtue of his office a Consul is the lawful guardian and warden of minor orphans (Par. 14). With regard to transactions between Latvian citizens, the Consul acts as a Latvian notary public (Par. 15). The Consul certifies the authenticity and legality of documents (Par. 16). He settles disputes between Latvian citizens. The duty of the Consul is also to promote and supervise Latvian shipping in foreign countries. He ensures all due rights and protection to Latvian shipping and to the Latvian Flag, in accordance with international treaties and customs.

STATE INSIGNIA



Official Design of State Coat of Arms
(Adopted by Law No. 118, Collection of Latvian Laws, 1921.)

On May 1, 1920, the freely elected Constituent Assembly of Latvia had convened. It immediately reiterated Latvia's decision to secede from Russia.

On February 15, 1922, the Latvian Constituent Assembly unanimously adopted the Latvian Constitution, which proclaimed Latvia an independent democratic republic, vesting the sovereign power of the Latvian State in the people of Latvia.† National minorities which on December 18, 1919, were granted cultural autonomy, obtained a solemn promise of equal political rights and proportional representation in the Saeima.

On November 7, 1922, the first Latvian *Saeima* (Congress) convened and on November 14, 1922, Janis Tschakste (Farmer Union), the former President of the National Council and Constituent Assembly, was elected the first President of Latvia.

Latvia, like other states, sent diplomatic representatives abroad, adopted a flag, a coat of arms or great seal, decorations and emblems, and introduced her own stamp and money system.

The Flag.—The crimson-white-crimson flag of Latvia was known and used by Latvians as early as the thirteenth century. This fact is testified by the "Livlaendische Rheimchronic",

† See Appendix I.

written in 1296 and published in the original in the symposium *Scriptores Rerum Livonicarum*, Riga, 1853, Vol. I. The German-Balt historian, Dr. A. Bielenstein, is fully convinced that the fact mentioned in the *Rheimchronic* is historical and that the flag described therein is indeed the medieval Latvian flag.*

Dr. A. Bielenstein also quotes the respective rhymes from the chronicles (9219–9232) which read as follows:

* * *
“die quamen hovelichen dar
mit einer banier rot gevar,
daz war mit wize durch gesniten.
* * *
vor war ich uch daz sagen kan,
die banier der Letten ist.”

Dr. A. Bielenstein calls the flag “Kriegsbanner der Letten”, or the Latvian war-flag. The red color of that period was crimson, and probably juices of certain berries or leaves were used as dye. That is the reason why the Latvians in modern times chose the crimson color for their flag.

Because of the expression “mit wize durch gesniten”, it was decided to give the white stripe the proportion 2:1:2, i. e. one-fifth of the width, and make it look more distinctive.

Latvian poets explain the flag as symbolizing the readiness of the Latvians to give the blood of their heart for their white freedom.

On August 10, 1922, was adopted the Law regarding the Latvian National Flag and the flags of higher state officials, the Army and the Navy. It reads as follows:

1. The Latvian national and commercial flag is crimson-white-crimson, the upper and lower sections being twice as wide as the middle white section (2:1:2); the relationship of the length and width of the flag is 2:1.

2. The basis of the Standard of the President of the State is the naval ensign in the center of which upon a square white background is the great seal of the State. The center of the sun in the seal is in the center of the Standard. The height of the seal of State from the knot in the lowest ribbon to the top of the highest star is one-third the width of the Standard. The relationship of the length and width of the Standard is 3:2.

3. The basis of the naval ensign is a rectangular white background on which the colors of the national flag cross vertically and horizontally, the width of these colors being one-fifth of the width of the ensign. The relationship of the length and the width of the ensign is 3:2.

* Dr. A. Bielenstein. *Die Grenzen des Lettischen Volksstammes*. St. Petersburg, 1892, p. 345

4. The fortress flag and man-of-war bowsprit jack is the naval ensign supplemented by the colors of the national flag crossing diagonally through the center; the width of these colors is one-fifth of the width of the flag. The relationship of the length and width of the flag is 3:2. The size of the bowsprit jack is one-half of the size of the naval ensign.

5. The pennant of a man-of-war consists of a basis and a white streamer. The basis is an 8-centimeter wide and 24-centimeter long naval ensign. This basis is continued by a white streamer of the same width not shorter than 3.5 meters. At the end is a swallow-tailed incision 1 meter deep.

6. The commander's pennant of a naval captain is the naval ensign in smaller size to which is attached a white streamer having a swallow-tailed incision at the end. The relationship of the length and width of the pennant is 2:3. The relationship of the white streamer to the basis of the pennant is one-third longer than the basis of the pennant. The depth of the incision is three-fourths of the length of the streamer. The commander's pennant is first attached to a wooden cross-piece, which is then hauled to the top of the mast with a sprit knot.

7. An admiral's flag is the naval ensign, in the center of the upper white rectangle lying nearest the mast of which is a crimson red circle whose diameter is one-fifth of the width of the flag.

8. The basis of the Prime Minister's flag is the naval ensign in the center of the upper rectangle lying nearest to the mast of which is the great seal of State. The center of the sun in the seal coincides with the center of the rectangle. The height of the seal is five-sixths of the height of the rectangle.

9. The flag of the commander-in-chief and inspector of the army has as its basis the naval ensign, in the upper rectangle lying nearest the mast of which is the fortress flag.

10. The basis of the flag of the Minister of War is the naval ensign the upper white rectangle lying nearest to the mast of which bears the army badge from top to bottom (without the national colors). In width the badge is three-fifths of the width of the rectangle.

11. The basis of the flag of a minister plenipotentiary is the national flag, the upper crimson section of which is discontinued two-fifths of its length from the mast. On the white background thus formed, to the width of the crimson section, is placed the great seal of the State.

12. The basis of the consular flag is the national flag, the upper crimson section of which is discontinued one-third of its length from the mast. On the white background thus formed, to the width of the crimson section, is placed the shield of the small seal of State.

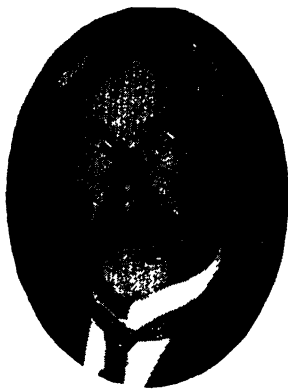
13. The flag of harbor authorities is similar to the consular flag, with the difference that instead of the shield of the seal the flag bears two blue anchors crossed diagonally. The outer ends of the anchors do not touch the edges of the white rectangle.

14. The flag of the customs administration is similar to the flag of the harbor authorities with the difference that two blue staffs of Mercury crossed diagonally take the place of the anchors.

15. The postal flag is similar to the flag of the harbor authorities except that instead of the anchors there is a post horn of yellow color.

16. The flag of hydrographic vessels is similar to the flag of the harbor authorities except that instead of the anchors it bears the star of the compass in blue.

17. The pilot's flag is the national flag having a white border all around of the same width of one crimson section.



First Row; (from left to right) J. Tschakste, First President of Latvia (1918-1927). G. Zemgals, Second Pr. (1927-1930).
Second Row: A. Kviesis, Third Pr. (1930-1936). K. Ulmanis, Fourth Pr. (1936-).
Third Row: F. Vesmanis, Speaker of First Parliament. Dr. P. Kalninsh, Speaker of Last Parliament.

THE COAT OF ARMS

The Coat of Arms, or the great seal of Latvia was used on stamps, coins and banknotes and on official state papers, f. i. by Latvian envoys abroad.

The Great Seal is arranged in form of a coat of arms and presents a tripartite shield held by a red lion (left) and a silver griffin (right), crowned by three gold stars, representing the three reunited Latvian duchies: Kurzeme, Vidzeme, and Latgale. In the upper part of the shield appears a rising golden sun on a blue background (for Latgale); in the right section—a silver griffin on a red background (for Vidzeme), and in the left section—a red lion on a silver background (for Kurzeme).

Oak leaves (the most revered tree of the old Latvians) and the Latvian flag serve as decorative accessories.

Sometimes a royal mantle of ermine and crimson is used also as background.

DECORATIONS

Latvia has two military and two civil decorations. The highest Latvian military decoration is the Order of Lāčplēsis or Bearslayer, dedicated to the Latvian legendary hero. The order has three degrees: Commander of the Grand Cross, Commander and Knight. The ribbon is white with crimson vertical stripes. The Order was bestowed for personal bravery on the battlefield and was established during Latvia's wars for independence. In the last years no new decorations were bestowed.

The second military order is the Order of King Viesturs (Rex Vesthardus), established in 1938. King Viesturs was the ruler of Zemgale in the beginning of the XIII century and repeatedly defeated the German invaders. The motto of the Order is: *Fortamini et Pugnat*. The ribbon is crimson. The cross is adorned with swords. The Order has five degrees of knights and 4 degrees of fellows.

The highest civil decoration is the Order of Three Stars, founded to commemorate the proclamation of Latvia's independence. The motto of the Order is: *Per aspera ad astra*. The Order has six degrees of knights and three degrees of fellows. The degrees of the knights are: Grand-Commander with collar, Grand-Commander, Grand-Officer, Commander, Officer and Knight. The fellows wear the insignia of medals: golden, silver and bronze. The emblem of the decoration is a white Maltese cross and the ribbon azure-blue with a golden edge. Three golden stars on a blue ground are in the center of the cross and the date of November 18, 1918, on the reverse side of the cross.

LATVIAN NATIONAL ANTHEM.

Karlis Baumanis.

Maestoso

f

CANTO

Dievs, svē-ti Lat-vi-ju, mūs' dār-go tē-vi-ju,
Bless Lat-vi-a, o God, Our ver-dant na-tive sod,

f

PIANO

svē-ti jel Lat-vi-ju, ak svē-ti jel to t to t
Where Bal-tic he-ross trod, keep her from harm t harm t

mf

Kur lat-vju mei-tas zied, kur lat-vju dē-lī dzied, laid mums tur
Our bloo-ming daugh-ters near, Our sin-ging sons ap-pear, May For-tune

cresc. *f*

lai-mē diet, mūs' Lat-vi--jā. Lat-vi--jā.
sui-ling here Grace Lat-vi-a. Grace Latvi-a.

English translation by Rev. George A. Simons, New York.

The second civil decoration, and the oldest, is the Cross of Merit—*Croix de la reconnaissance*, and the motto is: *Pour les honnetes gens*. This order was founded in 1710 by the Duke of Kurzeme and Zemgale, Frederick William, and was reestablished in 1938. The cross is white and the ribbon is red with a silver edge. The order has the same degrees as the Order of Three Stars.

Persons decorated with the aforementioned orders have the right to use the emblem of the order on letterheads, visiting cards and as their coat of arms.

Besides these orders, commemorative medals were bestowed: 10 years of Latvia's independence, participation in Latvia's war for independence, 20 years of Latvia's independence, voluntary firemen, 25 years service, cross of merit of the homeguards, etc.

NATIONAL ANTHEM

Latvia's National anthem is the hymn in which all Latvians join in order to express their national unity, love for Latvia, and pray to God for Latvia's welfare. It begins with the prayer: "Dievs, Svētī Latviju", meaning—God, bless Latvia! The music and text of the Latvian anthem were composed by Karlis Baumanis (1835–1905) for the first Latvian National Singing festival in 1873, and became so popular that it was spontaneously adopted as the anthem.

The music and words with translation are published by the Boston Music Co. in the collection "National Anthems of the United Nations and their Allies". The English version of the anthem in the said collection is by Lorraine Noel Finlaye.

There is another version by Rev. George A. Simons of New York, made during his stay in Latvia during the twenties, when he officiated there as a Methodist preacher. It is more popular.

LEGAL HOLIDAYS

The most important Latvian holiday is Independence Day, celebrated on November 18, the day when the first Latvian national government in 1918 was established in Riga.

The next important holiday is National Unity Day, celebrated on May 15, the day when in 1934 the Latvian people definitely turned towards a national unity government, ending the political tribalism.

To demonstrate Baltic solidarity also Estonian and Lithuanian Independence Days were officially celebrated (February 24 and February 16 respectively). The traditional Ligo or

flower carnival was celebrated on the eve of St. John's Day (June 23rd); Thanksgiving or Harvest Day was celebrated on the second Sunday in October. War Veterans Day was November 11. Every year by special decree Mother's Day, Father's Day, Apple Day, Mazpulku or 4-H Club Day were designated as holidays.

All Christian holidays were celebrated by the respective creed. New Year, Christmas, Easter, Whitsunday, and St. John's Day, were state holidays.

LATVIAN MONETARY SYSTEMS

The Latvian *Dainas* or old folk rhymes use the expression *nauda* for money, evidently adopted from the Scandinavian *naut*, meaning cattle (cfr. Latin *pecunia* and *pecus*, Sanscrit *rupia* and *rupa*, which also means cattle).

Another ancient Latvian money was amber.

The old Latvians, called by Tacitus *Aesthyorum gentes* or people living on the *aestuarium* or Gulf of the Baltic Sea, were known as "amberfishing." Their name for amber was "glesum" (in modern Latvian "glisis"). As amber was considered a great luxury in the Mediterranean (worth more than gold), special expeditions were made to obtain amber directly from the Baltic, particularly the deep-golden transparent amber, ejected from the Baltic Sea at the ambercoast on the Kurisches Haff or Gulf, where in ancient times the Latvian tribe of the Kurs used to live. Archaeological excavations revealed amber beads in the graves of the Pharaohs. Pliny the Elder (in *Historiae Naturalis Libri XXXVII*) reports about the Phoenician merchant Pytheas from Massilia (Marseilles), who made the journey to the "island of Balcia" to acquire amber. Later on, the name Baltic Sea or *mare Balteum* appears, but the origin of the word evidently is Latvian and is derived from "balts" meaning white. The ancient inhabitants of the Ambershore were blond with blue eyes, they were "balt" or the white people. In addition to amber, Baltic sable skins (*tsauna*), wax, hides, flax, hemp, grain, also honey and smoked meats were to be found in Amber land. These goods were sold to foreign merchants in exchange for weapons, instruments, and also for Roman copper, bronze, gold and silver coins. Gold coins were called *austini* by the Latvians, derived from the Latin *aurum*. The Latvians melted the imported gold and silver coins and wrought from them their bracelets, necklaces, rings, brooches, buckles, etc.

An abundance of these ornaments are to be seen in the Riga Historical Museum, where also the Numismatic Cabinet of Latvia is to be found.



Archeological Objects Excavated from Daugmale Harbor of Old Zemgale (on Left Bank of River Daugava 14 Miles South of Riga). Silver Coins of Harald I, Struck in London; Emperor Konrad II; Byzantian Emperor Basilius II and of His Brother Constantine VIII: of Count Herman of Emden (1086), of King Canute I, of Ethelred II and Others. Melted Down Coins. Crosses of XI century. Figure of Viking Trader. Latvian Silver Rings. (Repr. From "Det Aldsta Lettland", Stockholm, 1940, p. 164)

Latvian relations with the Mediterranean did not stop in Early Medieval Ages. A gold solid of Byzantium struck by Anastasius I (491-518) was found in Latvia. Emperor of the Ostgoths Theoderich (493-526) reciprocated the Aestian (Prussian and Kuronian) ambassadors, who brought him ambergifts, with 100 gold coins. More gold and silver came to the country after the Vikings began to use the river Daugava as their *Austrvaegr* to Byzantium. Also silver coins from the Orient, struck in Baghdad, Damascus, Basra, Kufa, Isphagan, Bochara, named dirghems, were found in such places, for instance, as the old port of the Zemgali, *Daugmale*, 14 miles south of Riga, on the left bank of the Daugava. Incidentally this port had existed as early as the II century A.D.

A great many coins of the VIII, IX, X and XI centuries of Western European, Byzantine and Persian origin, found in Latvia, testify to extensive commercial relations with foreign countries. Byzantine coins of Basilus II (976–1025) and his brother Constantin VIII; German- of the German Emperors Otto I, Otto II, Otto III, Heinrich II, Heinrich III, Heinrich IV, and Konrad II and of German Prince-Archbishops (struck in Koeln, Mainz, Worms, Speyer, etc.), as well as coins of Danish Kings Knut the Great and Sven Estridson; of the Hungarian Kings Stephen and Andreas; of the English Kings Ethelred II (979–1016) and Harald I (1035–1039), and other English coins (struck in Canterbury, Winchester, Lincoln, Oxford, York, Exeter, Kent, etc.) were found. Silver coins for practical purposes were melted into bars of a certain measure and weight.

The silver bars found in castlemounds, in Daugmale, the old Semigallian port, in Guerzike, the capital of Latgale, and in other places are 12–18 cm. long and weigh 100–200 grams silver. Henricus de Lettis, the chronicler of Latvia, in the beginning of the XIII century (1180–1227) states that at his time the Kuronian money was the “osering”, a brooch weighing 100–200 grams silver. The name “osering” derives from “ausa” gold, and ring. Like in Gaule, as mentioned by Julius Caesar, gold rings were used for money also in old Kurzeme. After gold had disappeared, the name “osering” was used to designate silver money. The *Talentum Livonicum*, mentioned by Henricus de Lettis, had a weight of 20.4 kilograms. Beside the silver bars, wax, salt and vaternal (cloth imported from Gotland) were also used as money. In the XIII century there was still a great wealth of silver in Latvia. In 1234 Pope Gregory IX ordered the Livonian Knights to return to the converted people in Livonia, the 9000 kilograms of silver robbed from them (it is not known if the silver was returned). The crusading German knights evidently financed the conquest of the country with locally robbed gold and silver. As the German Hanseatic merchants moved in wherever the Vikings had their factories and trading posts, they soon appeared also in Visby in Gotland, the “eye of the Baltic.” In 1163 Visby was already fully Hanseatic and became the chief penetration post for the Baltic. The merchants from Visby were the first to establish their factories near the old port of Riga.

The German merchants (also from Bremen and Luebeck) brought along German silver coins “phenninge”, also “artincks” or “arthogs” (in Latvian *artava*), “ferdings” (in Latvian *verd-insh*), shillings, marks and thalers, as well as gold florins.

In 1211 the Visby merchants living in Riga obtained from the Prince-Bishop of Livonia, the right to coin money in Riga, but they did it even before the official permission. The smallest coin struck in Riga was the "artinck," containing 8.2 grams silver. 24 "artincks" made a mark silver. A "ferding" was a fourth part of a mark and a "lot" a sixteenth part.

In 1232 Emperor Frederick II forbade the use of uncoined silver in markets (the money-regalia presented a neat income: for coining money from silver, one-twelfth part of the silver to be coined was exacted). However, silver bars were in circulation in Riga as late as in 1396. Also certain weight of wax ("wax-mark"), as well as salt and vaternal continued to be used as means of payment.

In the XIV century many foreign coins also appeared in Riga, then a Hanseatic comptor. Riga burghers became so rich that they were able to raise a loan for King Henry IV of England (1409). In the XV century, Riga coins were still struck, and they also became thinner and lighter. Although the official proportion of silver and alloy in a coin was 15:1, it was often neglected. In the XV century the Archbishops of Riga began to coin their own money. Johan VI Ambundi, the organizer of the Livonian Confederation (1419), struck solidi (shillings) and arthogs. The bishop's coins bear the inscription *Moneta Rigensis*, the name and coat of arms of the Bishop.

Since the end of the XV century silver coins were struck in the name of the Archbishop and the city with the inscription *Moneta Ecclesie et civitatis Rigensis* (shillings and artincks). The coat of arms of Riga appeared on these coins.

As the Masters of the Order in 1452 had obtained the right of the monetary regalia—they began to issue coins of their own. The Order's coins were struck in Riga, Venden and Reval. They bear the cross of the Order, and the coat of arms of the respective Master. The Masters struck silver artincks, shillings, ferdings, marks, two marks, thalers. Master V. Plettenberg (1494–1535) struck guilders, doub'leguilders and ducats of 10 and 20 thalers. Master H. Briggeney (1535–1539), H. Galen (1551–56), V. Fuerstenberg (1556–59) and the last Master G. Kettler (1559–62) struck gold ducats and silver coins of different value.

After the partitioning of Livonia, the secularization of the Order and the demissioning of the Archbishop, Riga, as an Imperial city (1561–1582), issued the *Moneta nova Argentea civitatis Rigensis* bearing the coat of arms. They were thalers,

halfthalers, marks, halfmarks, ferdings, double-shillings, shillings and arthogs.

The viceroy of the *Ducatus Ultradunensis* (1562–1582), Voyevode Chodkevitch, in 1572 struck (in the Dalen island) silver shillings, thalers (1572) and ferdings, halfmarks and marks (1573) with the Griffon of Livonia.

It is not certain, but quite probable, that King Magnus of Livonia (1570–1578) also struck coins.

After Riga's submission to King Stephen Batory of Poland (1582) it preserved the right to issue coins. But also the Polish Kings Stephen Batory and Sigismund III Vasa (1587–1621) struck coins in Riga: pelkers, denars, shillings, groshi, and ducats.

Under Swedish rule Riga (1621–1710) continued to strike its own money, but had to put, beside the coat of arms of Riga, the coat of arms of Sweden, and the initials of the reigning King.

Queen Christina, the daughter of King Gustavus Adolphus, began to strike copper change. Counterfeits of these copper coins often appeared and the coins depreciated because of inflation.

The Duchy of Kurzeme struck denars, shillings, groshi and thalers which bear the image of Duke Gothard (1562–87) and also Frederick (1587–1639). Very rare are coins struck by Duke William (1587–1617). Duke Jacob (1639–82) struck ducats. Also Duke Frederick Casimir (1682–1698), besides the usual silver coins, struck ducats and “timpas”, worth 18 groshi. Duke Frederick William (1698–1711) and the regent Duke Ferdinand (1711–1737) did not coin monies. Duke Ernest Biron (1737–1769) struck ducats. During Biron's exile Duke-elect Prince Charles of Saxony (1759–1765) struck copper shillings and groshi. Duke Ernest's son, Duke Peter (1769–1795) struck thalers and ducats.

During Russian domination (Vidzeme from 1721, Latgale 1773, Kurzeme 1795) Russian coins were in circulation. In 1756–57 Tsarina Elisabeth struck a special *moneta livo-esthonica*: thalers worth 96 kopeks, halfthalers (48 kopeks), etc.

During Latvia's independence Latvia introduced its own monetary system—the Lats (law of August 3, 1922)—equa ling 0.2903226 grams gold and worth 19.3 cents USA. On March 18, 1925, the law was enacted under which the State Bank had to exchange banknotes against gold in bars. Latvia did not issue gold-coins. In 1931, a gold moratorium was proclaimed and in 1936 the lats was pegged to the dollar and pound sterling.

Latvian silver coins were: 1 lats (with coat of arms), 2 lats, (also with coat of arms), and 5 lats (with coat of arms and girl in



Silver 5 Lats Equal in Size to the American Dollar

national costume). The silver content was 835 parts of pure silver and 165 parts copper. Bronze pieces were 1, 2, 5 santimi (one lats had 100 santimi); nickel—10, 20 and 50 santimi.

Shortly before the Second World War, in 1939, silver coins vanished from circulation in Latvia. They were scarce even before that. Latvian silver coins were particularly cherished by the nearby Russian border population, and they found ways and means to get them from Latvia. Also a great many Latvian silver lats were absorbed by the Polish farmhands, who came to Latvia every summer by the scores of thousands for seasonal agricultural work. Latvian lats were also popular in Lithuania and Estonia. During the German occupation one silver lats was worth 20 German marks, while the official rate was 10 lats for one mark. After their occupation, the Bolsheviks ordered all silver and gold, including private numismatic collections, to be delivered to them.

NUMISMATIC COLLECTIONS IN LATVIA AND THEIR DESCRIPTIONS

In the Latvian Historical State Museum (in the Castle of Riga) were to be found in 1939 about 26,000 different coins of numismatic interest (ancient Roman, Persian, Early Medieval, Byzantine, Medieval English, Danish, German, Hungarian, Polish). The fund consisted mostly of coins found by archaeological excavations in Latvia. A part was donated. The largest private collections embodied in the numismatic collection of the Historical Museum were: Dr. N. Himzel's (1764), Liborius Bergmann's (1795), G. Minus' (1874) and the collection of the Ethnographic Division of the Latvian Association in Riga, the "Latvieshu Biedriba", founded in 1868.

The Latvian numismatist Hugo Riekstins has published a survey (in Latvian) about Latvian numismatics (*Senatne un Maksla*, Riga, 1936, Vol. 1). In 1940, the archaeologist Pro-

fessor Francis Balodis (University of Latvia), published in Riga in his study "Jersika" (Guerzike, the capital of the kingdom Lettia in the beginning of the XIII century), the results of the excavations there, mentioning also numismatic discoveries. In 1940, F. Balodis published, in Stockholm, his fundamental handbook on Latvian Archaeology—*Det Aldsta Lettland* which contains illustrations of funds of Roman coins, bars, medieval coins, dirghems). In 1941, F. Balodis published, in Rome, an illustrated study, *Die Burgberge Lettlands* (in *Studi Baltici*), presenting results of excavations in ancient Latvian castle-mounds (*pils-kalni*).

Of fundamental interest for the study of Latvian numismatics is the essay of Professor A. Schwabe (of the University of Latvia), published in 1936, in the Journal of Latvian Historical Institute (Vol. II, IV) under the title "*Musu Senas Naudas Sistemas*" (Our ancient monetary systems). Also the studies of the director of the Riga Historical Museum, Raoul Schnore: *Rigas Naudas* (the coins of Riga), and *Seno Monetu atradumi Latvijā*, (old coin funds in Latvia) in *Senatne un Maksla*, Riga, 1936, should be noted.

Of certain interest is the Catalogue of the Tenth Archaeological Exhibition in Riga, during the Congress of Archaeologists in 1896.

Also of importance is the Symposium of the First Congress of Baltic Archaeologists in Riga, in 1932 (*Acta Universitatis Latviensis*).

In 1928, Johumsen-Sengbusch published an index of Baltic Coins as of 1926, including Estonia.

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Postage Stamps

Latvian Postal Communications, after being interrupted by the first World War, were re-established as soon as the first independent Latvian Government took over power in the country on November 18, 1918.

Already on December 14, 1918, the Latvian Cabinet of Ministers adopted regulations about postal rates. The Ministry of Communications, into which the Postal Department was embodied, issued Latvian postage stamps (but with permission of the Cabinet of Ministers). This prerogative was continuously held by the Department. In view of the necessity of reestablishing communications with foreign countries, Latvia on June 17, 1921, (after having been duly recognized *de jure*) joined the International Postal and Telegraph Union, thus accepting international rules about the size and color of different stamp values.

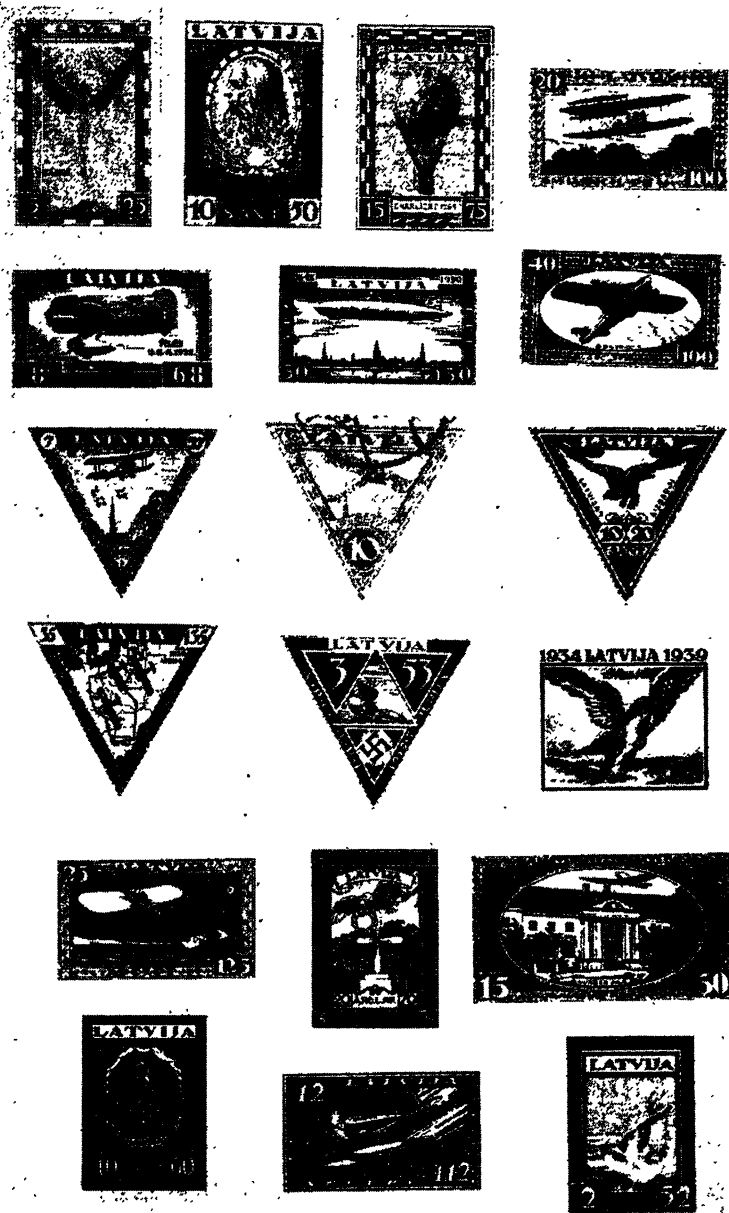
The reverse side of obsolete German military maps, unfinished banknote paper of the Soviet puppet government of December 1918 (which invaded Latvia from Soviet territory and eventually was expelled) and unfinished banknotes in sheets of the German stooge Bermondts were used as stamp paper in 1919. However, the stock of these fancy papers was soon exhausted, and thereupon special stamp-paper, manufactured of linen in the Paper Mills of Ligate (near Sigulda in the so-called Livonian Switzerland) was used for Latvian stamps.

Latvian stamp paper bears a special watermark, the swastika or firecross, as the Latvians call it. Also stamp gum was produced in Latvia. Dies were imported. The designs and engraving were done by Latvian artists.

The first Latvian stamps (1919) bear the Latvian cosmogonic sunmotif. The values were rubles and kopeks. Also commemorative stamps were issued: Liberation of Riga and of Latgale, Convocation of the Constituent Assembly, Proclamation of Independence, Red Cross, the Lāčplēsis (Bearslayer) series—all with symbolical figures. The first airmail stamp (triangular) shows an airplane over Riga. On June 15, 1921, the law regarding the great seal (coat of arms) of Latvia was adopted, and in consequence the great and the small state seal (rising sun crowned by three stars and in the lower part a lion and a griffon) now steadily appeared on Latvian stamps. On August 11, 1922, the law adopting the *lats* as the Latvian monetary unit, divided into one hundred *santimi*, was passed. Then Latvian stamps obtained their final shape. The one and more lats stamps bear the great seal (the little seal supported



Latvian Postage Stamps
 Designed and Engraved by Latvian Artists
 Printed by the Latvian State Printing Office in Riga



Latvian Airmail Stamps
 Designed and Engraved by Latvian Artists
 Printed by the Latvian State Printing Office in Riga

right and left by an additional griffon and lion). Meanwhile more commemorative stamps were issued, e.g., in memory of the late J. Tschakste, the first President of Latvia, and various stamps with additional values for beneficial purposes, e.g., the War Veteran Fund, Home Guards Fund, Combat Tuberculosis Fund, and others. Also Latvian statesmen and publicists were honored by stamps issued with their portraits—Z. A. Meierovics, Latvia's first Foreign Minister; General J. Balodis, the first Latvian Commander-in-Chief; K. Ulmanis, first Latvian Prime Minister; trinity of Latvian first Presidents J. Tschakste, G. Zemgals and A. Kviesis; the poets Auseklis and J. Rainis; the leaders of Latvian national awakening: J. Allunans and A. Kronvalds; A. Pumpurs, who wrote the epic *Lachplesis*. Stamps also were dedicated to the Presidential Castle, the War Memorial, the Monument of Liberty, Latvian provinces, to pioneers of aviation—Ikaros, Leonardo da Vinci, Montgolfier, Wright—even to a modern USA airplane (Gee Bee).

A Latvian farmer and an apple marked the beginning of a series of stamps dedicated to Latvian agriculture. Finally, Latvian modern buildings (a junior high school, palace of justice, popular clubhouse, Kegums water power station on the Daugava, etc.) were also depicted.

Incidentally, Scott's Stamp Catalogue presents many samples of Latvian postage stamps and also furnishes detailed information.

Riga had a Society of Philatelists and Numismatists. The best organized non-profit Philatelic Agency was at the Latvian Association in Riga. Illustrated Latvian stamp catalogues appeared periodically. Also the Postal Department had a governmental philatelic agency.

Usually samples of Latvian stamps were sent to the Seat of the International Postal Union in Bern, and on the basis of exchange to foreign postal departments. Besides the postage stamps, in Latvia were issued also visa-stamps and railway-stamps (for special delivery).



Latvian Army Emblem

CONSTITUTION OF 1922 *

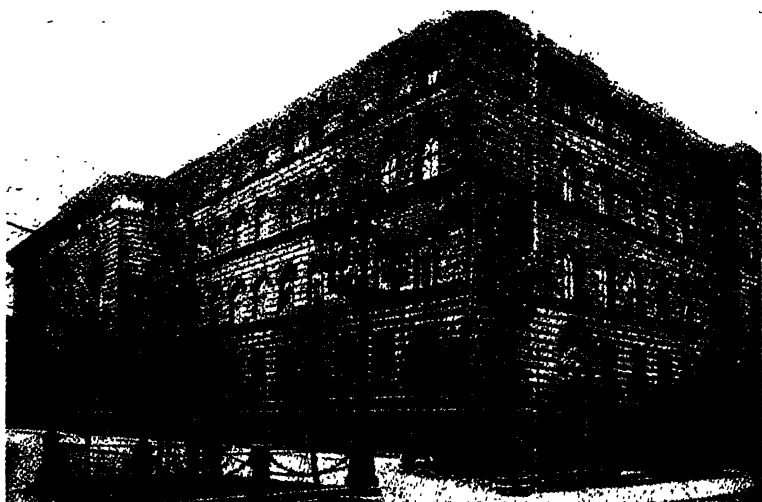
The Latvians by their historical struggles for freedom have sufficiently proved that they are really a democratic nation. The aim of the Latvian struggles was always to organize a free democratic Latvian republic of their own, with a freely elected parliament (Saeima) and president; with freedom of press, of conscience, speech and assembly; with equal rights for all citizens and cultural autonomy for racial minorities, and equality of opportunity based on the merit system. The legislative, executive and judicial branches of the State had to be separate.

These principles, very similar to the respective American notions, were actually embodied in Latvia's Constitution, which was the result of about two years' work of the Latvian Constituent Assembly. The Bill of the Latvian Constitution of 1922 is like the Latvian Penal Code of 1933 and Civil Code of 1938, a historical document testifying to the statehood of the Latvian nation.

RIGHTS AND PREROGATIVES OF THE PRESIDENT OF STATE

According to Article 35 of Latvia's Constitution, adopted by the Constituent Assembly on February 15, 1922, the President of State is elected by the Saeima (parliament) for a term of three years, and cannot continuously occupy the office of President of State for more than six years (Article 39). The President represents the State in international relations, appoints diplomatic representatives, and receives such representatives of other States. The President is the supreme leader of the armed forces. He has the right of pardon and veto, he designates the Prime Minister to form a Cabinet of Ministers, which, however, is responsible to the Saeima. The President also promulgates treaties, conventions and laws, has the right of legislative initiative and the right of initiative in the dissolution of the Saeima by means of a plebiscite. If the plebiscite should reject the dissolution of the Saeima, the President must resign. At the request of not less than one-half of its total number of members (the number was 100), the Saeima in a secret session by a decision of not less than two-thirds of the total number of members may dismiss the President. The President of the Saeima takes over the duties of President of State pending election of a new President, during his absence from the territory of the State, or if he is otherwise

* Text, see: Appendix I.



Latvian Saeima (Parliament) Building at Riga
Rebuilt after Destruction by Fire in 1926

prevented from attending to his duties (sickness, absence on leave, etc.). The President has the right to convoke and to conduct extraordinary Cabinet sessions.

The President does not bear political responsibility for his actions, but all acts emanating from the President must be countersigned by the Prime Minister or a competent Minister.

THE LEGISLATIVE SAEIMA

The Constitution provides that Latvia is an independent democratic republic and that the power of the Latvian State is vested in the people of Latvia, which elects 100 members of the Saeima, the unicameral legislative body, for a duration of 3 years. The elections are general, equal, direct, secret and proportional. Legislative bills may be introduced in the Saeima by the President of State, the Cabinet of Ministers, the Committees of the Saeima, any group of not less than five members of the Saeima, and by one-tenth of the voters. The Saeima adopts the budget and confirms the accounts concerning the execution of the budget. The Saeima confirms the Cabinet and passes votes of confidence. International treaties bearing upon questions which are to be regulated by legislation require the ratification of the Saeima. The Saeima in time of peace fixes the strength of the armed forces. Decisions are made by vote of the absolute majority of the members present at the session, which is valid only when not less than one-half of all members are present.

One-third of the members may demand from the President the suspension of the promulgation of an act, which is then submitted to a facultative plebiscite, if demanded by not less than one-tenth of the total number of voters. Bills regarding the budget, taxes, customs, duties, railway tariffs, military service, declaration of war, conclusion of peace, mobilization, demobilization, and foreign treaties cannot be submitted to plebiscites.

AMENDMENT OF CONSTITUTION

The Constitution may be amended by the Saeima in sessions attended by not less than two-thirds of its members. Amendments are passed after three readings, and with not less than two-thirds of the members of the Saeima present. Important rights were safeguarded to the electorate itself. One-tenth of the number of the voters had the right to submit to the President of the State a fully compiled bill for an amendment to the Constitution. If the Saeima refused the bill, it had to be put to a plebiscite.

The following Articles of the Constitution can be amended only by plebiscite:

- Par. 1. Latvia is an independent democratic republic.
- Par. 2. The sovereign power of the Latvian State is vested in the people of Latvia.
- Par. 3. The territory of the Latvian State is composed of Vidzeme, Latgale, Kurzeme and Zemgale, within borders fixed by international treaties.
- Par. 6. The Saeima shall be elected by general, equal, direct secret and proportional suffrage.
All Latvian citizens of both sexes who have attained the age of 21 have the right of suffrage.

THE CABINET OF MINISTERS

The State Administration is subordinated to the Cabinet of Ministers. The number of ministers and the scope of their work, as well as the mutual relations between State institutions, are established by law.

The sessions of the Cabinet are conducted by the Prime Minister. If the Saeima should pass a vote of non-confidence, and if the vote of non-confidence is only against one minister, that minister alone must resign, and the Prime Minister appoints another person to take his place.

If the State should be threatened by an outside enemy, or within the State, or if disturbances should break out or threaten to break out, the Cabinet of Ministers has the right to promulgate a "state of emergency" (Article 62). In the intervals between sessions of the Saeima, the Cabinet of Ministers has the right, if the contingency should arise, to issue regulations which have the force of law (Article 81).



The Castle in Riga. Residence of the President of State

COURTS OF LAW

All citizens in Latvia are equal in the eyes of the law and before the courts. Judges are independent and subordinated solely to the law. They are confirmed by the Saeima and cannot be dismissed except by a verdict of court. Justice may be administered only by organs in which such rights are vested by law, and only in a manner provided by the law. The age limit of a judge is fixed by law.

STATE CONTROL

The State Control Department is an independent board. The State Comptroller, who is the head of the board, is appointed and confirmed in his office like the other members of the board, in a manner identical to that of judges, but only for a designated period. The State Comptroller is a member of the Cabinet.



Latvian Style Furniture in Reception Room of President's Castle



**Grand Ballroom in Presidential Castle in Riga
Decorations, Furniture, Parquetté Floor and Chandeliers Work of
Latvian Craftsmen**

CONSTITUTIONAL REFORM

The Constitution of Latvia was indeed very progressive and democratic, and safeguarded the constitutional rights of the citizens. The judicial system was sound. But the legislative and executive systems were almost paralyzed by unstable majorities in the Saeima, and the Cabinet of Ministers changed too often. There was no continuity in the purpose of the administration, and the Government officials lost their reliance in a stable administrative policy.

The trouble with Latvia's parliamentary system was the proportional election law, based on leftist theories not yet tested in practice, which had some reason for large European states, like France or Germany, where great political minorities often lacked representation on account of the majority system. This ultra-radical election law became instrumental in obstructing the purposes of Latvia's democratic government and administration. For instance, in Latvia any group of seven citizens could incorporate a political party; any group of 100 citizens in their respective electoral district (there were 5 such districts in Latvia) could nominate all the candidates to be elected in that district. These 100 citizens did not even have to be bound together in a party. The Government was required to print these lists free of charge and to send them to every voting citizen. The result was disastrous. Usually more than 20 parties appeared in the Saeima, which had a total of only 100 representatives.

The fourth Latvian Saeima, elected in 1930, again had 23 different parties, while some 37 parties contended in the elections. Eight parties were represented in the Saeima with one deputy each, 5 parties with 2 deputies each, and the others had 3, 5, 7, 8, 9 deputies. Only the Farmer Union had a solid representation. Even the Social Democrats had 5 different clans, one of them being disguised communists. The same political clan trouble existed within the representation of the racial minorities.

It became more and more evident that constructive legislation and a stable parliamentary majority were impossible. Instead of creating coalitions among related small groups before elections, they had to be made after the elections in the parliament, and political bargaining was a continuous parliamentary disease. Profiting from the growing chaotic political situation in 1934, the extreme right party, the "Perkonkrustiesi" (the Society of the Thundercross), a nationalistic-chauvinistic group, and a disguised communist party with 7 representatives in the

Saeima, prepared for civil war: something had to be done in order to safeguard peace and avoid troubles and disturbances.

The Latvian nation always had cherished national unity, but the election law, described above, threatened to crush it to pieces. The small parties systematically opposed and sabotaged a revision of the fatal election law and always voted against the proposed reforms, and the social democrats, the minorities and the extreme leftists always joined this opposition.

Latvia's political life at that time was like a vicious circle; it was a hot-bed of radical movements, both rightist and leftist, because of the very radical laws which made the executive power a bystander to the systematic demolition of a social order which was anchored in the Constitution, but gave no means to the Government wherewith to defend it against subversive activities.

In May 1934, there was no more time to lose and the Prime Minister, Dr. K. Ulmanis (Farmer Union), undertook, with the consent and advice of the President of the Latvian State, A. Kviesis, the task of recreating a strong national unity. On May 15, 1934, the unworkable Seima was dissolved by decree of the President of State, all parties were disbanded and the Prime Minister, Dr. K. Ulmanis and his Cabinet according to Article 81 of the Constitution and because of the contingency which had arisen, obtained the right to legislate. This right was confirmed on May 18, 1934, by President A. Kviesis and by the Supreme Latvian Court—the Senate.

The aims of K. Ulmanis, supported by all the Latvian nation, were: a reasonable election law, an elected Saeima to be the legislative agency, an elected President of State, three parties at most: one for labor (13% of the population), a second for farmers (66% of the population) and a third for the middle class, and proportional representation for racial minorities.

First of all a chamber system (chambers of: agriculture, commerce and industry, labor, artisans, literature and art, and vocations) along guild lines had to be established as a basis for economic democracy in order to foster economic stability. The boards of the economic chambers were automatically to form the State Economical Council, and the boards of the Chamber of Arts and Literature and Chamber of Vocations—the State Cultural Council. These Councils cooperated with the respective ministers. During 1938–1939 several ordinary and joint Economic and Cultural Councils were convoked, which cooperated with the Cabinet of Ministers. The joint Economic and Cultural Council had to serve as the Upper House. Also the policy-making Saeima or parliament would have been elected in due time.



National Unity Cabinet in 1934

First Row (from Left to Right): Minister of Interior V. Gulbis, Prime Minister and Minister of Foreign Affairs K. Ulmanis, President of Latvia A. Kviesis, Minister of War J. Balodis, Deputy Prime Minister M. Skujenieks.

Second Row: State Chancellor, Minister D. Rudzitis, Minister of Education L. Adamovitschs, Vice-Minister of Education Msgr. J. Camanis, Minister of Agriculture J. Kaulinsh, Minister of Communications B. Einbergs, Minister of Public Welfare V. Rubuls, Minister of Justice H. Apsitis, Vice-Minister of Agriculture J. Birznieks, Minister of Finance L. Ekis, Vice-Minister of Interior A. Berzinsh.

The President of State as head of the executive would be elected by the people directly. He would nominate the Cabinet, which would be responsible in certain matters to the Parliament, in some to the Joint Economic and Cultural Council, and in others—to the President directly. But for the Soviet invasion in 1940, this project would have been fully realized.

The chamber system was realized in 1938 and the results in strengthening Latvia's national unity and economic welfare were remarkable in 1939: extensive labor and social legislation were introduced, interests of farmers were adequately fostered, and creative economic forces were supported and developed.

It is interesting to note that Latvia was not the sole Baltic State to reorganize its government on a more solid base of national unity. Latvia was actually the last one to do it. Of all the Baltic States, Poland was the first to reorganize its government on a stronger and more unified basis in 1926. This was especially accelerated by the fact that Soviet Russia on April 24, 1926, signed its second treaty of rapprochement with

Germany, as a counterpart to the so-called Locarno system, under which Germany entered the League of Nations. The Poles were well informed about the intentions of both Germany and Soviet Russia with regard to Poland. On May 12, 1926, the same day when the Finnish President Rehlander visited the Latvian President Tschakste in Riga, and when the building of the Latvian Diet was burned by a communist, Marshal Pilsudski created a strong-handed Government in Poland and eventually proclaimed a new Constitution granting the President of Poland more executive power. In December 1926, Lithuania reorganized its shaky parliamentary system on the basis of a strong majority. Estonia in 1933 followed the example of Finland, which also had solidified its internal political status.

Latvia patiently waited for a parliamentary reform and eventually, as was pointed out, as a strong homogenous national organism, overcame its parliamentary crisis.



Army Parade on the Esplanade in Riga

STATE ADMINISTRATION

CHIEF EXECUTIVE

In the period preceding the election of the first constitutional President of State, i. e., until November 14, 1922, the office of the Chief Executive was combined with the office of the Chairman of the successive: Provisional National Council, National Council and Constituent Assembly. The Chairman of the two latter bodies, *Janis Tschakste*, a lawyer and member of the Farmer Union, was elected First President of Latvia, and was re-elected on November 14, 1925, for a second term. He died of pneumonia on March 14, 1927.

Gustavs Zemgals, also a lawyer and a Democrat, served as second President of State, from April 11, 1927–April 11, 1930, when *Alberts Kviesis*, a Judge and a member of the Farmer Union, became elected third President. He served two terms: from April 11, 1930–April 11, 1936. The vacant office of President of State until the enactment of the Constitutional Reform was to be held (under the Law of March 19, 1936) by the Prime Minister. Thus *Karlis Ulmanis* assumed also the duties of President of State. On July 21, 1940, K. Ulmanis was kidnapped by the Bolsheviks and deported to an unknown destination in the U. S. S. R.

The President of State had at his disposal a Secretariat, which expedited the President's correspondence, prepared pardon acts and presidential decrees, arranged formalities for accrediting foreign envoys in Latvia, and Latvian envoys abroad. To the presidential Secretariat was attached the Capitúl of Decorations, the Heraldic Committee and the War Veteran's Fund.

CABINET OF MINISTERS

The first Latvian Cabinet of Ministers was appointed on November 18, 1918, by the National Council in Riga, and until June 17, 1940—Latvia's invasion by Soviet Russia—the country had sixteen Cabinets of Ministers. The Prime Ministers were as follows: 1. *Karlis Ulmanis*, Farmer Union, November 18, 1918–June 18, 1921. 2. *Ziegfrieds Meierovics*, Farmer Union, June 19, 1921–January 26, 1923. 3. *Janis Pauluks*, Non-partisan, January 27–June 27, 1923. 4. *Z. Meierovics*, June 28, 1923–January 26, 1924. 5. *Voldemars Zamuels*, Democrat, January 27–December 18, 1924. 6. *Hugo Celminsh*, Farmer Union, December 19, 1924–December 23, 1925. 7. *K. Ulmanis*, December 24, 1925–May 5, 1926. 8. *Arturs Alberings*, Farmer Union, May 6–December 17, 1926. 9. *Margers Skujenieks*, Right-Wing Socialist, December 18, 1926–January 23, 1928. 10. *Peters Jurashevskis*, Democrat, January 24–November 30, 1928. 11. *H. Celminsh*, December 1, 1928–March 26, 1931. 12. *K. Ulmanis*, March 27–December 5, 1931. 13. *M. Skujenieks*, December 6, 1931–March 23, 1933. 14. *Adolfs Blodnieks*, New-settlers, March 24, 1933–March 16, 1934. 15. *K. Ulmanis*, March 17–May 18, 1934. 16. *K. Ulmanis*, Head of National Unity and Constitutional Reform Cabinet, May 18, 1934–June 17, 1940.

Latvia's Cabinet of Ministers in 1940 (before the annexation of Latvia by the U. S. S. R.) consisted of the Prime Minister, a Deputy Prime Minister, the Minister of War, Minister of Foreign Affairs, the Finance Minister, Minister of Interior, Minister of Education, Minister of Public Affairs, Minister of Communications, Minister of Public Welfare, Minister of Justice, Minister of Commerce and Industries, Minister of Agriculture and the State Comptroller.

The Cabinet discussed all bills proposed by separate ministries, problems relating to more than one ministry and also political questions submitted by members of the Cabinet. The Cabinet formed a unified state policy and submitted its program for approval to the President of State, and was in office as long as it enjoyed the confidence of the parliament.

STATE CHANCERY

The State Chancery was headed by a director with the rank of cabinet minister and expedited the affairs of the Cabinet under the guidance of the Premier. To the State Chancery are attached the National Committee of Monuments, the Committee of Sports, the Bureau of Statistics, the Telegraph Agency "Leta", the Printing Office, the government gazette—"Valdības Vēstnesis", the Labor Procuring Office and the Curator of State Economy.

The *State Comptroller's* Department was divided into 12 sections, which revised governmental expenditures, contracts, enterprises and also expenditures of the secretariat of the President, of the State Statistical Bureau and the Red Cross.

The *Ministry of Foreign Affairs* supervised treaties, legations and consulates abroad. The Foreign Office had several Departments. The Administrative Department supervised the protocol, personnel, codes, archives, consular affairs and financial questions. The Treaty Department and its Juridical Section supervised preparation of treaties and expedition of legal questions. The Political Department had an Eastern and Far Eastern Section, the Baltic-Scandinavian Section and the Western European Section, to which belonged the Western Hemisphere and the League of Nations. The Press Section dealt with public relations, press and cultural relations.

The *Ministry of Finance* had the direction of state economical affairs, banknote emission, state lotteries, excises, supervision of state funds and capitals, preparation of the project of the budget, taxes, customs and tariffs. The Minister nominated the Tax-commissioners. He also supervised the

finances of municipalities, the condemnation of land, the keeping and operation of official acts concerning state properties and controlled industrial enterprises working only for export. Besides, the Minister of Finance supervised the State Flax and Hemp monopoly, State Sugar factories, the State Printing Office of banknotes and stamps, the State Mint, the State Insurance Company, the Kegums Waterpower Station, the Latvian State Bank, the Latvian State Agrarian Bank, and the Latvian Mortgage Bank. He kept also the registry of State debts, supervised the activities of private banks and credit institutions, and headed the police against smuggling.

The *Ministry of Interior* in the first place carried the responsibility for home security, and headed the police forces. A Police School for training policemen was supervised by the Minister. The different fire departments, municipal and voluntary, were also under his supervision. Also activities of municipalities, religious organizations, building inspection, coast and frontier guards were in the domain of the Minister of Interior. Finally he supervised Latvian citizens' passport affairs, immigration, aliens, citizenship questions, issued concessions to bear and to sell arms, etc.

The *Ministry of Education* supervised primary, secondary and vocational schools, higher educational institutes, cultural institutions, building of schools, the Fund for Fostering Culture, museums, monuments, folklore collections, state archives, state libraries, theatres and operas, public libraries. It also supervised administratively the autonomous State University, the Historical Institute, the Agricultural Academy, the Academy of Arts, the Conservatory of Music, peoples' universities and private educational institutions.

The *Ministry of War* had the supervision of Army, Navy and Air forcés, of the General Staff, Supply and Procurement Department, Military Tribunals, the School of Officers and Academical Courses for Officers. Also the War Museum, military press, the chain of officers clubs, and the Army department stores were under control of the War Minister.

The *Ministry of Public Affairs* had the supervision of tourism, movies, cultural publications, peoples clubs, particularly the ones which obtained subsidies for cultural purposes. It supervised administratively the press, radio, private theatres, and the application of laws and conventions providing for defense of labor, etc.

The ministry issued concessions for magazines, newspapers, printing offices, exhibitions, humanitarian organizations, lotteries, permissions for badges, collection of funds for humanitarian purposes, establishment of public libraries, publication of calendars, opening of movies, book stores, etc.

Finally the Ministry supervised the "Aizsargi", the Latvian home guards, an organization which was formed in 1919 for protection of the constitutional order and suppressing banditism after the First World War; also to help in case of forest fires, floods, epidemics and other national calamities. The women's section of the "Aizsargi" cared for destitute persons in the community. Often the organization also helped to harvest the fields of orphans and widows of the respective rural community.

The Ministry of Communications supervised rail-, water- and highways, the construction of new railway lines, repairing of bridges and highways. It concluded railway treaties with foreign countries. To the Minister was subjected the Department of Posts, Telegraphs, and Telephones; the Postal Savings Bank and the State Electrotechnical Factory. Also some bus-lines were supervised by the Ministry of Communications.

The Ministry of Public Welfare cared for public health and supervised public health institutions, state hospitals and asylums, houses of foundlings, orphan homes and institutes for the blind. It issued concessions to physicians, pharmacists, clinics, nursing courses and masseurs. It supervised administratively the application of laws for socialized medicine for the lower paid governmental and public officials, insurance against accidents, the application of social insurance laws and laws providing for retirement; controlled restaurants, food stores, markets, mineral waters, cosmetic laboratories, performed analyses of drugs.

The Ministry also took care of socially needy citizens of foreign countries. It supervised the combat of epidemics, decreed quarantines, and in general took care of needy and destitute persons.

The Ministry of Justice supervised the administration of justice in Latvia, and the activities of courts. A special codification department analyzed laws and decrees before their publication and classified them in series. Directly the Ministry supervised the state prisons, the civil status registry, archives, the state land registry. As Prosecutor General the Minister directed the activities of public prosecutors. To the Minister was subjected also the Latvian State Bureau of Investigation (both sections criminal and political).

Laws were promulgated in the name of the sovereign people of Latvia, and published in the governmental gazette (*Valdības Vēstnesis*). A Collection of Laws and Decrees was published yearly.

The Ministry of Commerce and Industry had under its supervision the activities of joint stock, and stock companies and of foreign stock-companies. It kept a register of firms, issued

concessions to firms, inspected industrial establishments and artisan shops, technical appliances, boilers, hygienic conditions, and controlled security conditions for workers. It also registered patents and inventions, trade-marks and labels. A special section supervised weights and measures and hall-marks for silver and gold. The State Energy Committee was a part of this ministry. Its Foreign Trade Department supervised the application of laws for foreign trade, and the Department of Shipping issued regulations for shipping, registered ships, supervised ports, sea-fishing, navigation schools and seamen's houses. The Hydrographic Section prepared maps and charts. The Ministry also issued flag patents to ships. Subject to the control of the Ministry was the Institute for Rationalization of State Economy, mechanization of agriculture, trades and industries. An Institute for Natural Riches also had been established for the purpose of exploring Latvia's natural riches.

To the Ministry was also subjected the State Shipping Company, the State Navy Yard, the Electric Power Station at Jugla and the Free Port and the Wire Factory in Liepaja.

The *Ministry of Agriculture* had as its field of action the most important sector of Latvia's economic life. It had to foster soil and forest conservation, drainage, procurement of fertilizers, machinery, rural electrification, rural construction, seed selection, cattle breeding, gardening, hatcheries, salt and freshwater fishing, agricultural schools, and facilitate agricultural exports. Also insurance and other agricultural cooperatives, as well as the settling of new farmers, were supervised by the Ministry of Agriculture. Important was the land survey work. The Veterinary Department of the Ministry of Agriculture protected stock, fowl, bees and fish against diseases. It had important laboratorial work and trained special personnel. It supervised veterinary clinics, cattle exhibitions, markets and transport of stock. The Grain Bureau with a network of grain elevators was attached to the Ministry. The State Cold Storages preserved butter, fish products and meat products.

* * * * *

It should be stated that the number of governmental officials in Latvia (including railways, post office and police, forest and frontier guards, also teachers) was not exaggerated, in 1935 it was 39,582.

Of a population of two million this makes only 2%, and it did not form a burden to the state, the salaries being very modest.

Municipalities.—Municipalities—city and rural—were the basis of all state life in Latvia and they acted quite independently in the area of their competence. There were in Latvia 517 self-governing rural communities and 59 cities with self-

government. They took care of their local school affairs, health, utilities, sewers, roads, etc.

Social Organizations cooperated with the state administration and municipalities and were active in many ways of life. In the first place mention must be made of the Latvian Red Cross with its affiliated organizations, in the second the Children's Aid and Friends' Societies, the Sickness Funds, the Society for Protecting Health and the Anti-alcoholic Society.

If one adds to that the extensive network of cooperative, credit, mutual insurance, etc., associations, and different other social and cultural organizations, such as the glee-clubs, hunting and fishing clubs, etc., one obtains a picture of a busy life built up for bettering of conditions and streamlined by practical minded state, public, municipal, cultural and social workers.



Old and New Riga: Left—Medieval Warehouse; Right—National Opera House

JUDICIAL SYSTEM

In order to guarantee legality the Latvian National Council on December 6, 1918, decided to enforce, until further changes, the laws and courts which existed on Latvian territory as of October 24, 1917. It was also decided that court language should be Latvian, but the use of the languages of the national minorities was also permitted with due translations into Latvian. The most important feature was that Latvia was to be a state based on one law for all, and with equal responsibilities under the principle: one law and equal justice for all. Legislation finally became the right of the people themselves.

The administrative supervision of independent Latvia's judicial establishments is entrusted to the Minister of Justice, who is simultaneously the Attorney General of the Republic. The Executive keeps in contact with the courts only through the Minister of Justice, the Legislative through the Cabinet of Ministers.

According to the Latvian Constitution the Minister of Justice must enjoy the confidence of the Saeima or parliament, and is responsible to the Saeima. Until the election of the first Saeima the Minister of Justice, chosen together with the first Latvian Government on November 18, 1918, was responsible to the Latvian National Council; from May 1st, 1920, to the Constituent Assembly and from November 7, 1922—to the Parliament.

Although the bill establishing the Ministry of Justice and providing for its three departments (of courts, of prisons and for jurisconsultation) was adopted by the Saeima or parliament only in 1930 (*Valdības Vestnesis* No. 141, June 28, 1930; Collection of Laws, 1930, No. 95), the legal basis for the functioning of the Ministry, the courts and for the application of laws was the Bill of December 6, 1918, adopted by the Latvian National Council and published in the first number of the *Valdības Vestnesis*, the governmental gazette, which began to appear on December 14, 1918.

The various branches of the Judicature are independent of each other; their decisions are guided by the existing laws, legal regulations, authoritative interpretation of the law and their own judgment. The Minister of Justice and the public prosecutors watch the proceedings but neither has the right to intervene. They may only insist on a new trial by lodging an appeal. The Senate gives the final interpretation to the law and its findings are final and binding to the courts as well as to the President. The President can amend the action of the

courts only by granting a pardon (Article 45 of the Constitution), the Legislative by granting an amnesty (Art. 45).

APPOINTMENT OF JUDGES

Since there were few Latvian judges available at the time of the foundation of independent Latvia, Latvian lawyers were invited to take an active part in organizing Latvia's judicial system, and their efforts to organize Latvia's courts were crowned with success.*

In 1919 a department of law and economics was opened at the University of Latvia. The department of law with a four-year curriculum became the Law School of Latvia, and well trained jurists after graduation took up careers as judges and attorneys at law. The curriculum included: civil, penal, administrative and constitutional law, civil and penal procedure, Roman law and system, history of Latvian law, philosophy of law, canonic law, international law, forensic medicine and psychiatry, finance law, history of political economy, statistics, social legislation, economics, etc. The university conferred degrees of LL.M. and LL.D. In 1939 Latvia had 1400 graduated jurists, thereof 980 of the Latvian nationality.

At the four District Courts a pool of candidates with higher juridical education was established for offices of judges, prosecutors, etc. (Law of August 13, 1920). After three years the candidate became eligible to judicial offices. Nomination for the office of judge was made by the Plenums of the District Courts and the Court of Appeal and submitted to the Minister of Justice, who was obliged to propose the candidate to the Cabinet for appointment. The Cabinet could not refuse a duly nominated appointee. In the same way the Parliament could not object to a judge legally proposed by the Cabinet. The Cabinet, however, in accordance with the Law of March 15, 1935, was entitled to allow two years to pass before appointing a justice of peace, the better to observe his fitness. A judge, duly investigated, confirmed and approved by the Saeima and President, could be dismissed only after trial by the supreme court—the Senate.

THE JUDICATURE

The courts in Latvia, as already mentioned, began to function on the basis of the Law of December 6, 1918.

The Judicature in Latvia consisted of rural courts, justices of peace, juvenile courts, district courts, an admiralty court, one highest court of appeal for all Latvia, and a supreme court called the Senate. There were, besides, so-called rent boards

* A. Bumans. *Latvijas Tiesa pirms gada. Latvijas Republika Desmit Pastavesanas Gados.* Riga, 1938, p. 503.

attached to the municipalities, to settle rent disputes, and different conciliatory boards, like the labor board, and tax boards. The latter were supplemented with representatives from the local population, who acted in an advisory capacity.

RURAL COURTS

The Rural Courts are composed of the President of the local Rural Council as President of the Rural Court *ex officio*, and of two members elected by the Council.

The competence of Rural Courts, according to the Law of December 6, 1918, which reinforced the Statute of July 9, 1889, extends only to minor civil, but not to criminal or administrative matters. A court of appeal in such matters may be formed of the local justice of peace and the presidents of two other rural courts. After that the case may be taken through the appropriate instances right up to the supreme court, the Senate.

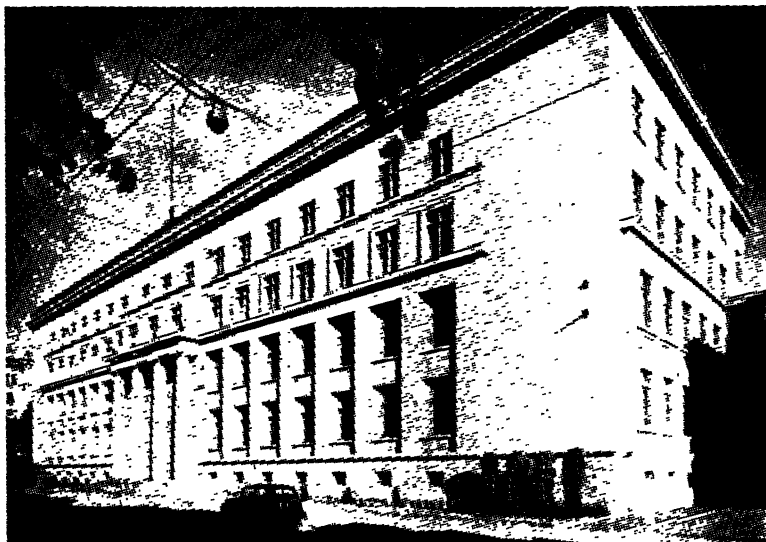
JUSTICES OF PEACE

The justices of peace deal with minor matters—criminal, civil and administrative, and the judgments passed by them in criminal matters may not exceed six months imprisonment or a fine of one thousand lats. Juvenile courts have mainly an educational purpose. By the Law of March 12, 1920, the clerks of the Justice of Peace wrote the minutes, kept the archives and documents, issued summons and were the chiefs of the chancery. They were nominated by the judge, but confirmed by the President of the District Court.

HIGHER COURTS

The higher courts, i. e., the District Courts, the Court of Appeals, and the Senate had a civil, criminal, and administrative department. The session of any higher court was attended by three judges, the collegiate system being used instead of juries. The Court of Appeal (*Tiesu Palata*) was located in Riga. It had a civil and criminal department. A qualified decision of the Senate when passed in the plenum by two-thirds vote served to interpret a law paragraph or to apply it to a certain case.

The District Courts in Riga, Jelgava, Liepaja, and Daugavpils had a Registry for titles of real estate, (Law of March 12, 1920, as amended on December 28, 1934) and also sections for registering of corporations, stock companies, societies and other juridical persons.



Palace of Justice in Riga (Built in 1936)

OTHER COURTS

Besides the above mentioned courts, Orphan Courts existed in the cities (Law of August 10, 1934).

The Administrative Court tried public officials (Law of March 4, 1921).

Shipping matters were tried in the Admiralty Court, which was presided over by a member of the Court of Appeal.

Military Courts were established by the Law of September 12, 1919, as amended in 1927, by introducing a novel permitting cases of state treason committed by civilians, f. i., forcible overthrow of State order, etc., to be tried before military courts.

RENT CONTROL

On June 16, 1924, a Rent Control Law was promulgated in Latvia (*Valdības Vestnesis* No. 133).

Article 8 of this law provides establishment of Rent Control Boards in the cities and towns, to settle disputes on questions of rent and heating, and to supervise and register all available housing except commercial and industrial structures.

The members of the Rent Control Board are appointed by the local Municipal Councils. The presiding member of the Rent Control Board is one of the justices of peace, and other members are representatives of house owners and of tenants, in equal numbers. Organizations of house owners and tenants may nominate candidates to the Board or present a list to the



Courtroom of Latvian Senate or Supreme Court
(Located in the Palace of Justice)

Municipal Council. The members of the Board receive no salary. The decisions of the Board are binding and are executed by the local police. They can be appealed in the regular way to the higher instance of civil courts (District Courts, etc.). Also ceiling rents were established by this law (Article 37).

PROTECTION OF INTERESTS OF PEOPLE

Organizations and persons objecting to any actions of the President were entitled to appeal to the Saeima. Complaints against government officials were made according to their rank either to the District Courts or the Supreme Court.

The interests of the State were protected by public prosecutors, investigating judges, and judicial experts (Law of May 8, 1929, *Valdibas Vestnesis* No. 102).

Prisons were subjected to the Minister of Justice in his capacity as Prosecutor General. All prisoners lacking elementary instruction were offered a free training while in prison. They could obtain training in arts and trades. In free time they were allowed to read scientific and belletristic literature and to listen to instructive lectures. The prisoners received remuneration for their work, half of which they could use during their confinement for their personal needs as well as for assisting their families, the other half being handed over to them on their release.

The Minister of Justice also supervised the Central Criminal Police and the Police School (Law of April 25, V. V. 1924, No. 93).

GENERAL PRINCIPLES OF CIVIL PROCEDURE

The initiative belongs to the litigants or parties involved. They themselves establish the amount of claims, etc.

In accordance with the principle of contestation parties must produce all evidence, not the court.

Equality of litigants is secured. Both litigants (for there can be only two parties) have the same rights and are granted the same protection and attention.

Directness (*da mihi facta—dabo tibi ius*). The judges trying the case themselves examine all evidence and witnesses.

Both oral and written proceedings are admitted.

Public sessions. All sessions are accessible to both litigants and are open to the public (except certain cases provided by law, wherein public morals are involved).

The Latvian legal system provides for the possibility of appeal in all civil matters to the next highest court instance, where new or additional evidence or even grounds for a new claim may be brought forward, and where the case is retried from the point of view of material and procedure laws. However, if the Court of Appeal establishes that the petitioner could

have presented this additional evidence in the first instance, he is liable to be fined by that court.

In addition to the possibility of appeal Latvian civil procedure provides for one more reconsideration of the case as a corrective measure, i. e., cassation, wherein the case that has already been appealed is not reexamined from the point of view of facts but only from the formal point of law. If the cassation court finds a fault in the decision of the second instance, it does not make a new decision, but orders the same previous instance to re-examine the case and to make a new decision in the light of the established irregularities.

SEQUENCE OF INSTANCES

In accordance with the Latvian legal system, the sequence of instances is as follows:

- (1) Rural Courts;
- (2) Justices of Peace (for appeals against decisions by the Rural courts);
- (3) District Courts (for appeals against decisions passed by the Justices of Peace of the respective district);
- (4) The Court of Appeals (for appeals against decisions of all District Courts).
- (5) Cassations from both the District Courts and the Court of Appeals are examined by the highest Latvian court, the Senate (equivalent to the United States Supreme Court).

COMPETENCE OF COURTS

The competence of Latvian civil courts may be divided into two main groups, namely, according to their territorial jurisdiction and their objective competence, based upon the nature of the claim and the amount involved.

As far as the jurisdiction of Justices of Peace is concerned, there are two kinds of Justices of Peace—those having their territorial district of jurisdiction, and the Justices of Peace in Riga, who have jurisdiction over a certain group of people, according to the alphabetical sequence of their family names. Justice X, for instance, deals with cases of persons whose names begin with A–M, Justice Y—deals with persons in the group N–T, etc.

The objective competence of the *Justice of Peace* includes:

- (1) Claims arising in connection with contracts, regardless of their origin, as well as all claims regarding movable property not exceeding Ls. 1,000.
- (2) Damages and torts not exceeding Ls. 1,000.
- (3) Claims for the restitution of interrupted possession (regardless of the amount involved).

- (4) Requests to deny certain persons the right to marry.
- (5) Requests to see one's children (after a separation or a divorce).
- (6) Requests for the preliminary insurance of testimony and claims.

District Courts are the pivot of Latvia's judiciary system. As courts of the third instance they examine appeals from the Rural Courts, and the Justices of Peace. They also act as courts of the first instance for practically all matters not coming within the jurisdiction of the Rural Courts, the Justices of Peace or of any of the special courts (i. e.: Orphan, Rent, etc.). This particular competence, in accordance with Articles 35, 37, and 38 of Civil Procedure extends to:

All claims concerning personal rights;

Litigation concerning copyrights, patents, discoveries, trademarks, etc.;

Claims concerning real estate (regardless of its value), and all movable property exceeding Ls. 1,000;

Claims regarding re-examination of boundaries (*actio finium regundorum*);

Claims concerning probaton of wills;

Divorces, separations, and annulment of marriages;

All other claims exceeding Ls. 1,000;

Execution of decisions of foreign courts.

In addition to the usual litigation, Latvian courts are charged also with various tasks which may be grouped as exceptions to the general order provided in the Civil Procedure. These tasks include: cases involving fiscal interests of the state, claims against courts for incorrect verdicts involving material losses, matrimonial matters (divorce, separation, etc.), questions concerning the legality of a child, and conciliation.

In all these matters the functions of a court are of a *quasi* administrative character. There is also another distinctive group of court competence, the so-called *jurisdictio voluntaria*, i. e., the protective function or custody, and probate jurisdiction, in which there are no parties or litigation, but the court *ex officio* undertakes custodial functions, as for example, legitimation, adoption, custody of the estate of a deceased person or absentee, partitioning of an estate, pronouncement of a person being dead or insane, etc. Last of all, concourse procedure should be mentioned, i. e., the distribution among creditors of the assets of a bankrupt person.

All the above mentioned functions, in spite of their differentiations, are purely judicial and therefore (with a few specific exceptions) are treated in public sessions.

Besides these judicial sessions of courts, the judges of each court meet also in so-called executive meetings, concerning

purely technical matters connected with the internal functions of the court itself, such as determining its calendar, adopting its own internal administrative regulations, examining the evidence in disciplinary action instituted against its own members, etc.

In addition to these executive meetings, the District Courts and the Court of Appeals also have plenary sessions, and the Senate—joint sessions, which generally are held behind closed doors, and in which a qualified vote of two-thirds is necessary for any measures adopted. These plenary meetings: examine proposals for new regulations; discuss candidates for vacancies; administer the oath to newly appointed attorneys at law, notaries public, etc.; grant vacations to their members, and assign their members to respective departments of the court. In addition to these tasks, the joint session of the Senate discusses differences in procedure of some courts, and elects members of the Supreme Disciplinary Court.

BAR ASSOCIATION

There was only one Bar Association in Latvia, which had a Governing Board elected by the lawyers, subject to supervision by the Minister of Justice through the Court of Appeals. The number of the members of the Bar was determined by the Minister of Justice. Only a person over 25 years of age, with a higher juridical education and 5 years practice in courts, or having taught law at the university, or a person who had served for 5 years as jurisconsult in municipal or state institutions, could be accepted into the Bar.

Usually a university graduate became assistant to an attorney at law. The assistant to the attorney was entitled to handle law suits, but only under the direct supervision of his patron, and only of the type of trials permitted him by the Bar Association. As a rule, he was first permitted to handle criminal cases before Justices of the Peace. After a certain period of time he was granted the right to handle civil cases before Justices of the Peace. Then he was granted the right to appear in cases before District Courts, and so on. After a period of not less than five and not more than seven years, being guided by his patron, the young jurist had to pass a final written examination before the Bar Association, upon passing which he became a full fledged and independent member of the Bar—"a lawyer under oath", authorized to appear in all cases and before all courts. However, the newly nominated attorney had to be approved by the president of the Court of Appeal and confirmed by the Minister of Justice.

The remuneration of an attorney usually was provided by a contract between the lawyer and the client, or, in case of

dispute, determined by the Minister of Justice as advised by the Court of Appeal and the Board of the Bar.

An attorney at law was responsible before the Board of the Bar, which could suspend him for a certain time, expel or fine him, or transfer him to another district.

In cases of poverty the President of the District Court or the President of the Bar could appoint an attorney to defend a person free of charge. The Bar published a Directory annually.

NOTARIES PUBLIC

In Latvia notaries public were entitled to draw up legal documents, to register contracts, to take acknowledgements, to certify documents and signatures, to protest promissory notes, bills of exchange, checks, to prepare testaments, to convoke plenary assemblies of shareholders of a stock company in certain cases, etc. All the official acts of a notary must be authenticated by his signature, seal and the number in his register; his address and the date also must be given.

In order to hold his office a notary public had to have a juridical education and legal experience, and be confirmed by the Minister of Justice. He had to post a bond. The notaries public were detailed to District Courts. They had their Bar headed by an elected Board, which supervised the activities of the notaries public, regulated their fees, and examined the aspirants to the office of notary public. The Law about Notaries Public promulgated on December 24, 1937, replaced the respective antiquated Russian statute.

STATISTICS

In 1938 there were in Latvia fifteen members of the Senate, sixteen members of the Court of Appeal, eighty-eight members of the four District Courts, eighty-three Justices of Peace, twenty-three supplementary judges, sixty one notaries public, thirty-three public prosecutors and fifty investigating judges. In Latvia the institution of honorary judges existed for retired judges and public prosecutors.

The Latvian State Directory published annually data about the officials of the Ministry of Justice, also the names and addresses of senators, judges, public prosecutors, etc. Also names of officials of the prison administration and of members of the political-criminal police were inserted in the directory. The directory also included the list of attorneys at law duly admitted to the bar and the list of notaries public.

The edition of 1940 of the *Valsts Adresu Kalendars* (Latvian State Directory) presented also a short description of the compe-

tences of each division of the Ministry of Justice and any branch of the judicial system.

LAW CODES

As previously mentioned, the Bill of December 6, 1918, revalidated all the laws which were in force on Latvian territory on October 24, 1917. The most important of them were: the Peasant Laws of 1817, 1819, 1849, 1860, 1865, and the Peasant Law of 1862 of Latgale; the Statute for Cities of 1878, the Law for Commerce of 1903 (Vol. XI of the Russian Collection of Laws); the Law for Taxes of 1914 (Vol. V., R.C.L.); for the courts—the Law of 1889; the Civil and Criminal Procedures were regulated by the Law of 1914. The latest editions of the Civil and Criminal Procedure Codes and of the Court Organization Law date from 1938, 1926 and 1936 respectively. Several other codifications and laws appeared in the late thirties, such as: the law regulating Author's Rights (1937), Commercial Register Law (1934), Land Register Law (1937), Corporations Law (1938) Credit Law (1938), Bills and Notes Law and the Check Law (1938), Tax Law (1938), Shipping Law (1939), Customs of Latvian Ports (1939), Consular Ordinance (1936), etc.

The new Russian Criminal Code of 1903, only partly introduced in Russia, was applied in Latvia in full. Its final codification took place in 1933. The Civil Law for Vidzeme and Kurzeme was the one compiled by Fr. G. von Bunge in 1864. In Latgale the Russian Civil Law, Vol. X, was in force. The Civil Law of the Baltic Provinces, a product of a different world, was not in harmony with democratic Latvian life. Like the Criminal Code, it was adapted and readapted, amended and reamended, and eventually the necessity arose to prepare for Latvia a Civil Law corresponding to realities.

Besides, the Civil Law of 1864 was antiquated. For instance, Art. 2015 of the Baltic Civil Law gave the father the right to disinherit his children if they became circus artists or actors of a roadside theater, or if they changed religion, etc. Completely obsolete, for instance, was the principle of the Civil Law of 1864 of divided property on land, by which even after the agrarian reform municipalities continued to be a sort of landlord—decisively a remnant of feudalism. Latvia needed a unified system of property rights, having partitioned large estates and liquidated the corporation of landed nobles.

Already in 1924 a Committee of Jurists was appointed to prepare a new Civil Code. This was done successfully. The new Latvian Civil Code, completed in 1937, was introduced on January 1, 1938. It has 2,500 articles instead of the 4,600 of the old code.*

* Collection of Latvian Laws, 1937, No. 29.

Relations between Latvian citizens in the field of civil law, according to the Code, shall be settled in harmony with the principle expressed in the first article of the Code:

“Rights shall be enjoyed and obligations discharged in good faith.”

In its system the Latvian Civil Code follows the rhythm of human life. In addition to the introduction and the so-called collision norms, the Latvian Civil Code has four parts: family law, inheritance law, property law, and contract law.

Family rights were placed in the first part of the Code, thereby emphasizing that, although everybody while alive is closely connected with property and property interests, nevertheless the family is the basic unit of the nation.

Questions on property and property interests follow afterwards. But even here the living human being has not escaped from the vision of the legislators as being most valuable to the nation and the state. The Latvian Civil Code accords an ample field for the just opinion of a judge, but only in cases where there is a lack of pertinent provisions. The Latvian Civil Code (Article 5) appeals to the conscience of the judge.

A great role was attributed to the Latvian Senate (supreme court of justice), which in many cases had to establish the correct practice, serving as a guide to other instances of the court.

The norms of collision, whose task is to regulate cases when local laws collide and compete with those of a foreign state, honor the laws of their country. Here Latvians maintained the so-called principle of domicile, which provides that the rights and freedom of action of physical persons are decided upon by the laws of their domicile. It means that everybody residing or functioning in Latvia was subject to Latvian laws, even though he was an alien.

Cases involving property situated in Latvia but belonging to Latvian citizens residing abroad were decided in the same manner. Moreover, as far as this property was concerned, Latvian citizens residing abroad were subject to Latvian laws.

In exceptional cases a foreign law could be applied in Latvia only if it did not contradict the Latvian social order and good morals, or was not contrary to the prohibitive or permissible norms of Latvian law (Article 24).

The Latvian woman, who formerly was under the guardianship of her husband, like an infant, remaining there for the rest of her life, was freed from this guardianship by the Code of 1937; the assistance of the husband was no longer necessary to

enact legal deeds. In settling matters common to the family, both spouses had equal rights, and within the limits of the household the wife was entitled to represent the husband and enter into contracts in her husband's name. Latvian legislators visualized the family as a unit closely bound by ties of mutual trust, where one cared for the other and both took care of the well-being of the family. A good family where friendship and harmony exist, where every member does his work—this basic unit in the state organism appeared to those working on the new Civil Code as an ideal, to which the Latvian nation with its family traditions had approached closely.

Therefore Latvia did not have to create compulsory ties to keep this family together. For this reason those who were expecting radical changes in the Law of 1921 concerning divorce, were surprised to find that it was changed very little. The statistics of divorce show that Latvia did not have as many divorces as some publicists ignorant of the conditions asserted.

Latvian legislators kept in sight the same normal family for which nature itself has outlined the functions and duties when they changed the former conglomeration of property relations of spouses to one form of legal relations, in which the husband had greater economic obligations and rights than the wife. It is usual and clear to everyone that the husband is the one whose duty it is to provide the means of existence, that he, as the physically stronger, must do it, and therefore it is completely logical that all property belonging to both spouses, owned separately or in common, is managed and used by the husband, without a special power of attorney. However, the wife was accorded proper security against the husband's improper actions and evil intent. The total separation of goods could be established by the spouses by contract and for the benefit of third persons, and entered into the register of the property relations of spouses at the Justice of Peace. It also should be mentioned as an innovation in family rights that the law provided for a new form of guardianship over persons for their reckless way of living, which eventually threatened the relatives.

A reform in inheritance matters was awaited by Latvians most of all. These expectations were well founded, for the separate norms in Vidzeme, Kurzeme and Latgale, for towns and rural communities, and even separately for farmers, created an utterly intolerable situation. An extremely important question was added—how far could one proceed with the partitioning of the rural estates in cases of inheritance, and to whom to grant priority to these estates if there were several heirs. Besides, in unifying the inheritance laws one had to decide how would the spouse inherit after the death of the other

spouse, what was to be done with the institute of trust, how to treat the forced heirs, how to simplify the drafting of a testament, what to do with intestate and heirless property, and many other similar questions, in the better adjustment of which were interested not only the people but also the state. All the matters enumerated above were simplified and made clearer, better understood, so that everybody without costly assistance could ascertain one's rights and obligations and fulfill them in a proper manner and within the proper time.

The co-heirs could administer and use real estate in common or request its partition. And here it became necessary to draw the line: how far to permit partitioning, so that the private interests of the owner would not be hurt, and so that also the state would not lose economically. Valuable observations in this very important question were offered by the Latvian Chamber of Agriculture, which were taken into consideration. It was the unanimous conclusion of all experts that the arrangement permitting the splitting of rural real estate by partitioning it into minute parts, rendering these parts incapable of existing as economic units, had to be stopped. Latvian farms were the basis of the whole economic and social structure. They were the fountain of Latvia's life and prosperity, the granary for all the inhabitants of the state. Therefore, although not refusing partitioning completely, the respective laws provided that after partitioning the main part of the farm should be not smaller than 112 acres. However, the area of any alienable part could not be smaller than 38 acres. When it became impossible to provide land by partitioning for all heirs, and if there were several competing among themselves, the new Civil Code provided distinctly that priority to the land should be given to the heir (even a daughter) most capable of cultivating it, as well as of exploiting its producing capacities, who believed in, relied upon, and attached himself to the earth while cultivating it. The other heirs could only claim their shares in cash.

Shares payable to the co-heirs were provided, so as not to become a burden to the recipient of the farm, and not to compel him to work all his life for the benefit of others. The law provided ample relief in order to create and establish in reality farms capable of existence and so that there was pleasure in working and existing.

The Rural Courts acquired a new right in inheritance matters, namely, to make a public testament, which hitherto could be drawn up only at the notary public.

A great innovation in property rights was the discard of divided property. This institute, having developed historically

and existing for centuries, had created in Latvia the so-called possessory usufructuaries, which on one hand were *quasi* owners, but at the same time also only lessees, i. e., possessors and users. This possessory usufructuary was subject to the titular owner. All these possessory usufructuaries by a special law became full owners. The lands owned by churches, where the churches were possessory usufructuaries, became the full property of these churches. The former titular owners, for instance, the municipalities, were compensated by receiving either in one payment or on a longer term compensation equal to the latest yearly rent multiplied by 20 or 25. In the same way the thousands of possessory usufructuaries in Latvian cities became full owners of their lots.

In discarding the regulations on divided property both uniformity and a streamlined system in property law were acquired.

In the last part of the Civil Code, concerning the contract law, the legislators tried to avoid the former casuistry, rejected the purely theoretical norms, discarded institutes which were considered obsolete, and replaced them with norms adapted to the needs of our days.

One group of these norms was connected with the personal labor contract, which regulated relations between the employer and employee. The law prescribes minutely the rights and obligations of both parties and served as a certain guarantee for the maintenance of normal relations and for accomplishing the work. If one party unilaterally cancelled the agreement, the guilty part was obliged to pay the other party compensation and to cover the damages incurred. The norms of labor contracts were essential also on the farm, particularly the share-cropper contracts.

FAMILY RIGHTS

The minimum age at which marriage is allowed is eighteen for men and sixteen for girls. The legal age for both sexes is twenty-one. Minors, in order to marry, must secure permission of their parents or guardians. A marriage can be performed either before a clergyman of the respective denomination or in the civil status registry (*dzimtsarakstu nodala*). Notice of the marriage must be given two weeks in advance in the civil status registry. If the marriage is performed by a clergyman, the banns must be published in accordance with the regulations of the respective denomination. Marriage without an advance notice or publication of the banns may take place if the life of the bride or groom is threatened by an illness, or if the bridegroom is leaving for war. Previously divorced persons may marry again, but a woman not before 306 days have passed

since the end of the previous marriage, from which latter rule there are, however, some exceptions. Marriage is forbidden to persons suffering from a mental disease or from a venereal disease in the contagious stage. Marriages may be recognized as null and void *ab initio* in the following cases: if the marriage was not performed either by a clergyman or in the civil status registry; if the parties at the time of the marriage had not reached the age required by law; if one of the parties was mentally ill; if the marriage is not permissible because of the degree of relationship between the parties; if one of the parties at the time of the marriage was already married and this previous marriage did not end in death or divorce or annulment prior to the declaration of the subsequent marriage as void; if one of the parties claims that he entered into the marriage under the influence of punishable threats. The petition to declare a marriage null and void must be addressed to the respective district court.

Dowry which is given in the case of marriage by the bride's parents, relatives or other persons belongs to the wife, even though it was given to the husband. In order that a promise to give real estate or personal property in excess of five hundred lats be binding, it must be made in writing.

Each spouse retains the property which belonged to him prior to marriage. The same is true also regarding property acquired in the course of marriage. All that which husband and wife earn together or with each other's help is to be considered as the common property of both. The husband has the right to manage and use all the property of his wife; the property she had before marriage as well as the property she acquired in the course of the marriage, except her separate property. The wife's separate property is as follows: 1. Property which she retained in her own possession and for her own use when getting married, or which the spouses in a contract designated as separate property; 2. Things which only she uses or which are necessary in her independent work; 3. Property which was given to the wife without remuneration on the condition that she will manage and use it herself; 4. Inheritance which the wife accepted against the will of her husband; 5. Property which the wife earns as the result of her own work; 6. Income from the wife's separate property; 7. Property which replaces the wife's separate property. The burden of proof that certain property is separate property lies on the spouse who claims so. Regarding separate real estate, a notation to that effect must be made in the Land Register. Spouses may determine, change, or end their reciprocal property rights by marital contracts drawn before or in the course of marriage. In order to be binding for third persons, marital contracts must be entered in the Marital

Property Relations Register, and those concerning real estate also in the Land Register. Marital Property Relations Registers are kept by the justices of the peace. These marital contracts can establish either complete separation of the property of the spouses or the so-called unity of the property of the spouses.

Divorce.—Divorce and annulment of a marriage, if in a Latvian court, is determined in accordance with Latvian law regardless of the nationality of the spouses. Divorce and annulment of a marriage obtained by Latvian citizens in a foreign country is recognized also in Latvia, except when the reasons therefor are not in accord with Latvian law and contradict Latvian social structure and the good morals of the country. If the defendant in a suit for divorce lives abroad and his place of residence is given by the party suing, the summons should be sent through the Ministry for Foreign Affairs; if the place of residence is unknown, the summons should be published in the Official Gazette. The party prosecuting a suit for divorce may sue in accordance with his place of residence if the place of residence of the other spouse is unknown or abroad. Latvian law does not allow divorce at the request of one of the marriage partners, but only in the case of mutual agreement or in the presence of one of the legitimate grounds for divorce. These are as follows: Adultery, unless it was committed with the consent or at the instigation of the other spouse, or if it has been forgiven. Threats to the life or health of one of the spouses by the other, as well as beating and torture; this cannot serve as grounds for divorce if it has been forgiven or if more than one year has elapsed. Intentional desertion for not less than one year. A lengthy and difficult mental or contagious disease. Commitment of certain criminal acts. A dishonest and immoral way of life. Infertility of the other spouse or avoidance of having children. Physical inability of intercourse, if not resulting from old age. The husband may request a divorce if the wife is incapable of bearing children and if this incapacity was not known to him prior to marriage, or if it is not due to old age or did not result from circumstances for which the wife is not responsible. Disintegration of marital life to the extent that one can not expect cohabitation to be continued. Three years of uninterrupted separation. If the parents, in the case of annulment or divorce, cannot agree who should have custody of the children, this is decided by the court in the interest of the children, and if the latter are fourteen years of age, their expressed preference is to be considered.

INHERITANCE RIGHTS

According to their form, wills are either public or private. Public Wills are those made at a notary public, in the rural

court, or before a Latvian consul abroad. As original serves the text entered in the notary public's or consular register or in the testament register of the rural court. A private will is made in written form in the presence of at least two trustworthy witnesses and must be signed by the testator. It must be signed either in the presence of the witnesses, or the testator must tell them that he has signed it himself. Also the witnesses have to sign the will. A private will may be made in any language. A private will, if deposited with the notary public, the consul or the county court in accordance with certain rules, has the power of a public will. Latvian law recognizes also the holographic will, that is a will which is wholly written and signed by the testator himself, in which case no witnesses are necessary. In the case of extraordinary circumstances because of which it is impossible for the testator to make a written private or public will, he can express his last will in the presence of two witnesses also orally. When the extraordinary circumstances are over, the oral will becomes invalid in the course of three months. In addition to the above oral will, Latvian law recognizes the following four so-called privileged written wills made without witnesses: 1. A will made in circumstances in which it was impossible to obtain witnesses; 2. A will by a person in the military service at the time of war; 3. A will by the parents in favor of their children; 4. A will of one spouse in favor of the other spouse. The authenticity of a written private will should be accepted as proven if the still living witnesses identify their signatures, but if there are no witnesses its authenticity may be proven by other means. If in the will there are obscure, ambiguous or awkward expressions, they are to be interpreted in accordance with the seeming desires of the testator. One should especially take into consideration his relations towards the heir, as well as his usual way of thinking and talking. Incomprehensible expressions should be considered as nonexistent. All dispositions which are not contrary to the law and sound sense should be interpreted in such a way that the will as far as possible would remain valid. The rights to an inheritance which is in Latvia are determined according to Latvian law. The surrender abroad of an inheritance is permissible only after the just claims of those persons whose place of residence is in Latvia have been satisfied.

A person may make any disposition he wishes concerning any of his property in the case of death, except that his forced heirs must receive their unalienable shares. Forced heirs are considered the spouse and the descendants, but if there are no descendants, then the ascendants of the nearest degree. The unalienable share is half of the share to which the heir is entitled on the basis of the rules of legal succession. This unalienable

share should be determined according to the composition and value of the property at the time of death. A forced heir may be disinherited on the basis of the reasons enumerated in the Civil Code, but the reason must be expressly set fourth in the will. Some of these reasons are: a criminal act committed by the heir against the testator; in the case of the spouse relict, some action of the latter which would otherwise constitute sufficient grounds for divorce, etc.

The distribution of the real and personal estate of an intestate decedent is regulated by the Civil Code. The spouse relict inherits regardless of what arrangements regarding property existed during the marriage. The spouse relict receives the equivalent of a child's share if the number of remaining children is less than four, but if there are four children or more, then the spouse relict receives one-fourth. If the decedent does not have any direct descendants, the spouse relict receives half of the inheritance and besides also the household furnishings. If the decedent does not have any descendants, adopted children, ascendants, brothers or sisters or children of the latter, then the spouse relict receives the entire inheritance. If the marriage ended in divorce or was annulled, then the former marriage partners do not inherit from each other.

THE PENAL CODE

What would be the use of having laws about an independent state, court administrations and a good civil and other codes if they were not backed up by sanctions of a Penal Code? The purpose of the Latvian Penal Code was to sustain normal life in the state and to prosecute in the name of the people incriminations against the state and civil order established by the will of the population and based in Latvia on the four freedoms.

The Latvian Republic, by the Law concerning Latvian courts and procedures of December 6, 1918, adopted the Criminal Code of Russia of March 22, 1903, which, however, was not in force in Russia itself but was still a project. The old Russian Penal Code of 1885 was only partly substituted by four chapters of the new Russian Penal Code. Under the Law of December 6, 1918, Latvia applied it in full, including the novel of March 12, 1917, which abolished capital punishment. On March 15, 1920, the text was revised and adapted to Latvia, which, for instance, had no church courts. In 1923 a translation of the Russian Penal Code appeared, made by the Codification Department. But due to constant modifications the translation was revised in 1930 and 1932. Eventually it became necessary to codify the penal laws.

The revised Penal Code (published in the Official Gazette *Valdibas Vestnesis* No. 94 on April 28, 1933 (Collection of Latvian Laws, 1933, No. 134), and introduced on June 8, 1933, consisted of 40 chapters and 584 articles (of which barely 36 remained in the original form of 1903). But also the Penal Code of 1933 obtained its novel in 1935 (*Valdibas Vestnesis* No. 68, March 22, 1935, Collection of Laws, 1935, No. 34). However, the basic principle of the Penal Code, that all acts—passive or active—prohibited by the Penal Code were condemnable (*nullum crimen sine praevia lege poenalis*), continued unchanged.

The Penal Code of 1933 gave the courts a greater amplitude in the matter of the gravity of the sentence to be pronounced. Capital punishment, deportation to Siberia and detention in a fortress, as listed in the Russian code, were suppressed.

Punishments listed in the new Code of 1933 were: (1) forced labor for life or from 4 to 15 years, accompanied by the deprivation of rights; (2) correctional imprisonment from 1 to 4 years; (3) imprisonment from 2 weeks to one year; (4) arrest from one day to six months, and (5) fines. Aliens sentenced with the deprivation of rights upon the decision of the court could be expelled from the country. Roman Catholic priests sentenced to imprisonment could be confined to monasteries in accordance with the Concordat with the Holy See of 1922. Criminals, after having served their terms, could be placed under safety arrest for a term of 5 to 10 years. By the novel of March 22, 1935, also police surveillance was provided for liberated criminals. The deprivation of rights included: honorary rights, military rank, political rights—to elect or be elected, the *virī boni* rights i. e., the right to be legal guardian, administrator, etc. If the court considered the motive of a crime to be ill-intentioned, deprivation of rights could be pronounced in addition to any sentence heavier than six months.

Enjoyment of rights could be reacquired by amnesty of the President, and by judiciary procedure. Reintegration of honorary rights was not provided for. Professional rights could be suspended from 1 to 5 years; electoral rights—active and passive—for five years.

The court could take into consideration aggravating circumstances of a crime (offenses committed professionally and habitually, recidivism, premeditated, unpremeditated, etc.), and choose a heavier penalty or augment the penalty, but not going beyond the maximum provided by law, even when summing up sentences for different crimes committed by the same person.

On the other hand, the court could suspend a sentence, but the reasons had to be mentioned in the sentence. No suspense was possible when the trial took place upon demand of a third party, when aggravating circumstances were evident, in cases of hooliganism, or when the culprit was a recidivist.

A paroled person could be placed under special surveillance or under certain obligations. After 5 years for those condemned to prison and 3 years for others the suspended sentence became a legal statute of limitation. But if the paroled committed a new offense or a hidden previous crime became evident, or if he tried to escape surveillance, or failed to fulfill the obligations imposed by court, he forfeited the suspense of sentence and had to serve his full term.

A fine could be substituted by arrest up to one year, if the fine was not paid within one month. Arrest up to 2 years could be ordered for offenses involving customs regulations. In certain cases fines could be pronounced in addition to imprisonment.

When a crime was committed by a Latvian citizen abroad, then the sentence of the laws of the country where the offense was committed was passed if it was lighter than in Latvia.

Alleviated sentences for minors from 10 to 17 years old in the form of detention in coercitive educational establishments or reformatories instead of forced labor and imprisonment sentences were provided.

Only minors of 18 years or over could be sentenced to imprisonment, in which case the term was halved. Arrest and fines of minors (12–18) could be replaced by admonition and warning. Minors under 10 years of age were placed in custody of their parents.

Thus the new code provided for educational and meliorating measures rather than punitive ones for minors. For this purpose juvenile courts were established in Latvia.

The Code of 1933 followed the territorial principle (*forum delicti commissi*), but also recognized the *status personalis* and the “universal and real” principle. Aliens, with the exception of persons enjoying extritorial status, were not exempt from prosecution in case of infringement of the law in Latvia.

The personal principle applied to Latvian citizens who enjoyed an extritorial status abroad, but had committed offenses outside Latvia, and to Latvians in general who could be prosecuted for crimes punishable in Latvia in conformity with international agreements. The “universal and real” principle found expression in the provisions that called for the application of the code to aliens for crimes committed against Latvia and outside Latvia, if the laws of the country where the crime was committed considered it a crime—but not: *bis in idem*.

No sentence was to be given for any offense committed abroad for which extradition might not be granted. Sentences handed down by foreign courts in criminal matters were not executory in Latvia, but could be considered as aggravation in case of offense committed by the same person in Latvia.

Criminal offenses came under the statute of limitation if, from the moment of their commission up to the date when criminal proceedings were legally initiated, a delay of one to 15 years intervened, according to the gravity of the crime.

Proceeding from the presumption that every normal person is responsible, the new Code also distinguished between normal and abnormal responsibility (mental ailments, psychic defects, state of irresponsibility, defect of mental or moral development). Absolute and relative non-imputability were distinguished. Persons with abnormal responsibility, by decision of court, could be detained in asylums.

In the matter of degree of culpability of delinquents, the Code of 1933 took into consideration the elements of negligence and temerity, attempt and preparation. Authors of crime and accomplices were distinguished, and among the latter instigators and assistants. For corporations the legal representatives of such corporations, those who acted in their names, or those of their officers who actually committed the offence, or were their eventual accomplices, were responsible.

LATVIAN LEGAL ASPECTS—OCCIDENTAL

From the aforedescribed characteristics of its judicial system, it is evident that Latvia judicially belongs to an entirely different world than Russia. Latvian law codes were influenced by Roman Law; besides, the legal system introduced in tsarist Russia in 1864 and later extended to Latvia, is not Russian at all, except for the language: actually it was based on both the French and the Hanoverian legal systems. The Russian Penal Code of 1903 was written by the Russian-German senator Frish. Except for some chapters, the tsarist government did not introduce it at all. It is interesting to note that during the first World War German occupational authorities introduced Senator Frish's Penal Code in full in the parts of tsarist Russia occupied by the German Army. That is how the code came to Latvia. As has been seen, senator Frisch's Penal Code was fully rewritten and, like the Civil Code, became a genuine Latvian code. Besides, after the Bolshevik coup, all Russian codes and also legal procedure were changed in Russia itself. It is no secret that the basic legal notions and principles in both countries are quite different, just as different as are private and socialistic property. The Latvian conception is that law is

based on absolute moral principle—while the Soviet conception is that law is based on shifting economic dogma. The Latvians believe that law is a protection for and a responsibility of the individual human being in his relations with his fellow men. The Soviet theory is that the Soviet state is superior to the individual in every act of life. Soviet judges are not bound by law nor by principles of law when passing judgment.* The Judicial and Executive branches of the government in Latvia are strictly separated, while in Soviet Russia the Judiciary is an instrument of the Proletarian Dictatorship (*princeps legibus solutus*). Latvia definitely belongs to the Occidental Democratic World—while Soviet Russia undoubtedly is totalitarian. The Latvian people detest both dictatorships: that of the black German squires and the other of the Red squires under the cloak of the proletariat.

LATVIA AND INTERNATIONAL LAW

As a territorially small state, relying only on respect for international law, justice and morals, Latvia itself most scrupulously respected international law and observed its international obligations, at the same time trying to be a good neighbor.¹

In 1920–21 it settled its frontiers with Estonia and Lithuania by arbitration.²

As a full fledged member of the League of Nations Latvia renounced aggression and accepted the jurisdiction of the Permanent Court of International Justice, subscribing to it on September 11, 1923.³ It likewise accepted the obligatory clause (Par. 36–2) of the Statute of the Permanent Court, and the Arbitration Convention of the Hague of 1899 and 1907. Latvia's good neighbor policy is outstanding by the fact that it had no disputes whatsoever with other countries. In 1925 it signed the Conciliation and Arbitration Convention with Finland, Estonia and Poland in the spirit of the Covenant of the League of Nations and the Geneva Protocol, adopted on October 2, 1924.⁴ The aim was a peaceful settlement of international disputes. If conciliation fails—arbitration steps in, and the Permanent Court remains as the highest instance.

* Charles Prince. *The Evolution and Crisis in Soviet Jurisprudence*. American Bar Association Journal, November 1945.

¹ *Recueil des Principaux Traites*. Riga 1938. Index Chronologique, pp. 409–445. Contains 304 treaties signed by Latvia until 1938.

² *Collection of Latvian Laws*, 1920: No. 218, No. 234.

³ *Collection of Latvian Laws*, 1923: No. 99.

⁴ *League of Nations Treaty Series*. Vol. XXXVIII, pp. 357 f.

The same good-neighbor policy was systematically and consistently applied by Latvia to the U.S.S.R. This is proved by the fact that Latvia, in order to secure the best possible relations, accepted with respect to the U.S.S.R. the conciliation procedure for solution of all possible disputes. However, during its independence Latvia had no disputes whatsoever with the U.S.S.R.



Entrance to War Veteran Cemetery at Riga

ADMINISTRATIVE DIVISION

By the law of June 26, 1924, Latvia was divided into four provinces or *apgabali*: Kurzeme, Zemgale, Vidzeme and Latgale; the provinces into districts or *apriņķi*, and the latter into *pagasti* (from the Latin *pagus*) or rural communities. Latvia had 59 cities (*pilsētas*) with self-government, four of which: Riga, the capital port, Liepāja (as a free port), Ventspils (as an ice-free port), and Daugavpils (as an important railway center), formed prefectures with district rights.

PROVINCES

Two of the four Latvian provinces, Kurzeme (20.08% of Latvia) and Zemgale (20.70%) are situated south of the Daugava river and the other two—Vidzeme (35.39%) and Latgale (23.83%) north of the Daugava.* Historically these provinces were Latvian tribal kingdoms.

DISTRICTS

Just as the provinces were formed in a historical process also the 19 districts were formed around important cities, from which they bear the names. Kurzeme had 5 districts—Liepāja, Aizpute, Kuldīga, Ventspils and Talsi. Zemgale also 5 districts—Jelgava, Tukums, Bauska, Jēkabpils, and Ilukste. Also Vidzeme had 5 districts—Riga, Cēsis, Valmiera, Valka and Madona. Only Latgale had 4 districts: Daugavpils, Rēzekne, Ludza and Abrene.

PAGASTI

The pagasts or the rural community is the basic unit of Latvia's self government. Each pagasts had an elected elder and councillors, its own rural court and a clerk. The functions were the same as in the city self-government: to mitigate small litigations, supervise local roads, collect taxes, supervise primary schools, security, health, issue different certificates, represent the rural community, etc.

The 517 Latvian pagasti were of different size: 7 had more than 10,000 inhabitants; 53 had between 5,000 and 10,000; 142 between 2,000 and 5,000; 220—between 1,000 and 2,000; 94 between 500 and 1,000, and only one pagasts had less than 500 inhabitants. Also the size of the area of each pagasts varied according to the size of the farms. The pagasti were

* A. Maldups, *Latvija Skaitļos*. Riga, 1988, p. 22.

divided among the districts or rather a certain group of pagasti clustered around a district city. The district of Riga had 57 pagasti. Kurzeme had 100 pagasti, Zemgale—124, Vidzeme 168 and Latgale 71.

And again, like the provinces and districts, also the pagasti had their peculiar historical growth. Each manor in medieval times had its pagasts or even several pagasti, which were bound to perform for the manor labor duty. They became less numerous after the manors were partitioned. In some districts several smaller pagasti were merged into a large one, for administrative purposes. In provinces with more forests, like Kurzeme and Latgale, there were fewer pagasti, but in Vidzeme with more cultivated land there were more.

FARMS

The basic unit of the pagasts is the farm, privately owned and separately standing.

There were in Latvia 237,350 farm units. Predominating was the type of farm not larger than 30 ha, which constituted 83.4% of all farms. The limit of a farm was 50 ha. Only model, experimental and seed selecting and cattle breeding farms were allowed to have more land.

Particular care was taken to build dwellings for married farm hands: more than a thousand a year. In 1935 about 97% of all farms were lighted with kerosene. This percentage diminished continuously when more electricity was generated. Particularly important was the opening of the large Kegums water power station on the middle Daugava. Latvia had 12 district waterpower stations of which several used peat for fuel. Larger farms generated electricity with the help of wind mills. Latvian industries at the end of the 'thirties began to produce bulbs, electric wires, fans, heaters, refrigerators, and insulation articles. Thus rural electrification was fostered as well as home life. Also pumps were used more and more instead of wells.

SOCIAL STRATA

Of all Latvia's inhabitants in 1935, 1,206,000 or about 64% lived in the country. However, only 169,844 thereof were farmhands. The reason was that about 80% of the farms were cultivated by families.

It is interesting to note that of 1,950,502 Latvian inhabitants in 1935, 1,216,000 were gainfully employed. The rest were children under the age of 15—482,500 and elderly people over 60—262,000.

In Latvia there were small rural cities, which had inherited their historical city rights, but whose inhabitants actually were farmers, gardeners, cattle breeders and fishermen or had mixed occupations; being farmers and artisans, farmers and workers. Thus the percentage of rural population actually could be larger than 64%—it could be almost 70%.

From the sociological point of view, of the two million population of Latvia in 1939 only 273,000 were workers—farmhands and industrial workers together. The rest were farmers, artisans, fishermen, people employed in commerce, transportation, free professions, etc. However, the largest group were the farmers and their families.

Thus Latvia predominantly was a farmers' country, and that gave Latvia its character: a peaceful, religious, laborious, diligent and thrifty country.

HISTORY OF CITIES

Latvian cities have grown by a natural process from the medieval hamlets around fortified seats of tribal kings and seniors, where the local population used to hide during foreign invasions. Latvia had cities (*civitates*) already in the IX century, as mentioned by the contemporary chronicles of Bishop Rimbert, and also in the Scandinavian sagas. These cities were trading ports, like the *Duna-urbs* (present-day Riga), or fortified places, like Seeburg (present-day Grobina). In more modern times cities arose around churches and market places, or on important crossroads and on river banks. Twenty-six of Latvia's 59 cities are situated on rivers, ten of them on the Daugava River. Thirty-three Latvian cities obtained city rights after Latvia's independence. All Latvian cities have their coat of arms.

Latvia's 59 cities occupied only 1.2% of its area. They housed in 1935, 694,000 inhabitants in 52,285 buildings, which had 208,861 apartments. Thereof 39.42% were one-room apartments, 23.5% had two rooms, 13.28%—three rooms, 6.22%—four rooms, 3.15%—five rooms, 13.28% six rooms, 0.51%—seven rooms, 0.24%—eight rooms, 0.09%—nine rooms and ten and more only 0.08%. Thus about 77% of the apartments had from 1 to 3 rooms, including the kitchen. On the average 2.92 persons dwelt in one room. About 94.30% were heated with stoves, only 5.50% having central heating systems. Of the apartments 59.88% were lighted with electricity, the rest with kerosene. Only 37.34% of the apartments had running water, 13.47% had to use common faucets and plumbing, 16.31% used pumps, the rest carried their water from wells.

Since the census of 1935, from which the data were compiled, several thousand new buildings were erected, the average number of new buildings per year being about 1,200. Also many improvements were made, as, for instance, hospitals, schools and covered market places were built; water supply systems, also sewers enlarged, and new ones installed, streets asphalted and lighted with electricity. The large industries were mostly located in the cities, where the industrial workers lived and enjoyed socialized medicine and also otherwise had a possibility to improve living conditions. The municipalities, for instance, began to build block-houses for the workers, and also one-family and two-family houses in suburbs. In general the living conditions in the cities were systematically improved.

Chief Cities of Latvia in 1935

<i>Name</i>	<i>Population</i>	<i>Name</i>	<i>Population</i>
Riga (capital-port)....	385,063	Valmiera.....	8,482
Liepaja (port).....	57,098	Tukums.....	8,144
Daugavpils.....	45,160	Rigas Jurmala.....	7,863
Jelgava.....	34,099	Kuldiga.....	7,180
Ventspils (port).....	15,671	Jekabpils.....	5,826
Rezekne.....	13,139	Griva.....	5,546
Cesis.....	8,748	Ludza.....	5,546

RIGA—THE CAPITAL OF LATVIA

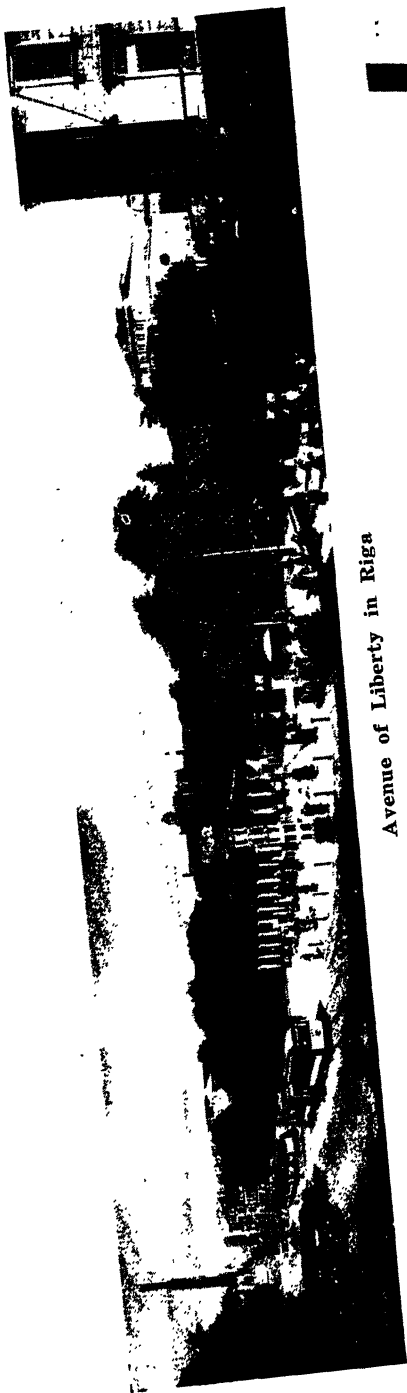
Riga is one of the oldest, biggest (about 210 sq. km. or 0.32% of Latvia), and most beautiful cities of the Baltic, situated athwart the river Daugava, 12 miles from the mouth of the river. Riga has several suburbs on both banks of the river Daugava. With a population of almost 400,000 in 1940, its large industries, trade, banks and port, Riga was the pearl of Latvia. Riga's asphalted streets, hygienic market places, social institutions and public utilities, were widely known. Riga liked arts and music. Riga's skyline was dotted with spires of gothic churches. The spire of St. Peter was the highest (440 feet) wooden spire in the world. Old Riga was romantic.

As early as in the XI century the merchants of Riga already had a vivid trade with Lubeck. Around the middle of the XII century Riga had several Latvian fraternities connected with its commercial life and activities. The one was the guild of the storekeepers of local goods, such as hides, flax, tallow, potash, smoked meats, honey, etc., and also imported goods, such as salt, spices, instruments, cloth, etc., which were left by oversea merchants in their stores, as consignment. This guild was known as the guild of the "Liggers". The second was the guild of the supervisors of measures and weights. An important guild was that of the flax classifiers.

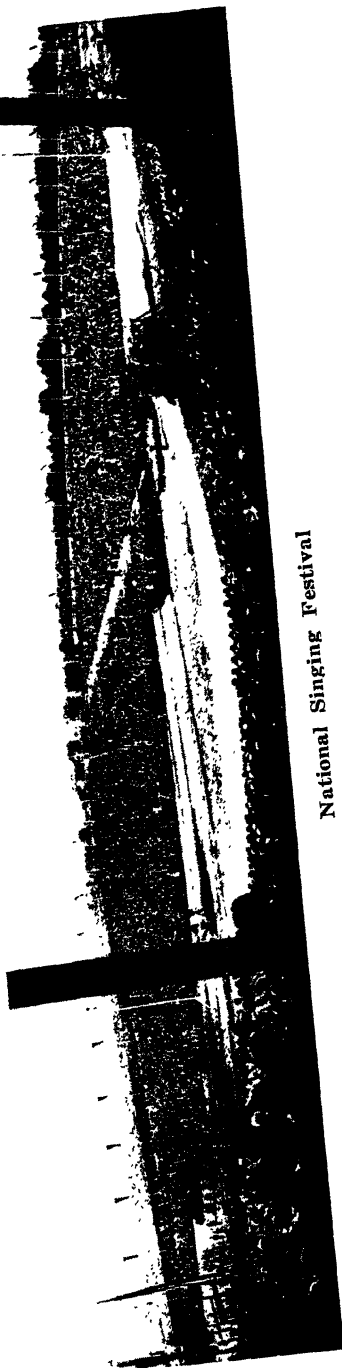


Medieval Powder Tower in Riga. Seat of War Museum

In 1201 the Bishop of Livonia Albert transferred his residence from Livian Ykeskola to Riga, nearer to the mouth of the Daugava. In 1207 Riga became the capital of the Livonian principality. In 1225 Riga became a *civitas* or self-governing city. In 1290 it adopted the Statute of Hamburg. As a transit city it also became an important Hanseatic port.



Avenue of Liberty in Riga



National Singing Festival



Coat of Arms of Riga

In the thirteenth century the Dom of St. Mary and the purely Latvian church of St. Jacob (1226) were built. The cathedral of St. Peter was built in 1491 and rebuilt several times. Parish schools were opened at the Dom, St. Peter's and St. Jacob's. Not only the ruling Archbishop, but also the Master of the Livonian Order, the military protector of the Archbishop, established his residence in Riga. On a portal of the castle of Riga, built in 1505, is to be found the stone-relief of the Patroness of the Livonian State, St. Mary, and of Prince Walter von Plettenberg, the Master of the Order, who in 1502 defeated the Muscovites at Smolina, near Pleskau, and who in 1530 became independent ruler of Livonia, then a principality of the Holy Roman Empire, ranking 44th. Riga has its own flag—blue-white (horizontal) with the coat of arms of Riga in the center. The coat of arms of Riga shows its history. The central part presents a fortress gate between two turrets in a blue escutcheon; this marks Riga's character as a capital city. In the gate lies a lion to symbolize the valor of the citizens. Between the turrets on the gate are two crossed keys, surmounted by a golden cross and a princely crown—a reminiscence that Riga was the capital of a ruling Archbishop and under direct Papal suzerainty. The principality of Livonia existed from 1207 until 1562, when it succumbed to Poland, but Riga preserved its independence, and from 1562 to 1582 was a self-ruling city of the Holy Roman Empire. This is symbolized by two rampant crowned black eagles supporting the coat of arms. In 1581 the Council of Riga signed a treaty of submission with King Stephen of Poland, but preserved its



Pontoon Bridge over Daugava at Riga

privileges. In the XVII century Riga (since 1621) became the most important city of Sweden and the granary of the Swedish realm. The crown on the lion lying in the gate was granted by the Swedish King after the Riga burghers in 1656 victoriously repulsed an attack of Muscovites. In the next two centuries Riga became more embellished and enlarged. In 1812 the suburbs of Riga were burned by order of the Russian Governor who became unduly panicky with Napoleon's advance in Kurzeme. During the first World War the suburbs adjacent to the front line were damaged. But Riga was again rebuilt. During all its history Riga had never suffered such destruction as during the second World War. The old landmarks of Riga: the House of the Blackheads (built in 1335), the City Hall (1750), the churches of St. Peter and St. Gertrude, and many other buildings were destroyed during the war. However, the Castle, the residence of the President, the Parliament building and the Palace of Justice have survived, as has the Dome, St. John's and St. Jacob's.

Riga has always been a prominent Latvian cultural center. In 1588 the city of Riga had already established printing offices. A certain humanistic literature in Latin appeared. In 1632 a newspaper was published in Riga. During 1685-1689 the Bible in the Latvian version was printed in Riga. Also other Latvian books were printed. The Russians who conquered Riga from the Swedes could not change its Occidental cultural features. During the XVIII century the movement

of the Moravian Brethren took sway in Riga. In the sixties the enlightened German philosopher J. G. von Herder was appointed director of the Dom-school. It was in Riga and its surroundings that he collected Latvian *Dainas* or folksongs. The enthusiastic young Herder had planned a university in Riga. Let us not forget that the philosopher I. Kant in 1781 printed in Riga his *Critique of Pure Reason*.

Riga continued to be intellectually a leading city also in the XIX century, to mention only the Latvian Literary Society founded in 1824, the Riga Polytechnic Institute (1862), the Opera with Wagner as conductor, etc. Since 1868, the founding of the Latvian Association, Riga became the leading bastion of Latvia's National Awakening. Riga had several large industrial establishments: rubber, shipbuilding, file, ceramic, boiler, etc. In 1914 the machinery of the Riga Industries was taken to Russia and never returned.

On November 18, 1918, Latvia's first government was elected in Riga. It became again the capital of Latvia and the seat of higher government institutions. The State University, the Historical Institute, the Academy of Arts, the Conservatory, important museums, learned societies, etc., were located there. Riga was also the seat of the heads of the Evangelical, Roman Catholic, and Greek-Orthodox churches. During Latvia's independence Riga became again an important industrial center of Latvia. The Riga Beach (*Rigas Jurmala*) was widely known as a summer resort.

GROWTH OF RIGA'S POPULATION

1700	35,000	1867.....	102,590	1917.....	212,797
1760	14,000	1881.....	169,329	1925.....	350,000
1812	25,000	1897.....	282,230	1939.....	400,000
1855	60,463	1914.....	520,000		

GROWTH OF LATVIAN POPULATION IN RIGA

Year	Percent of:								
	Total	Latvians	Germans	Russ.	Jews	Lith.	Pol.	Eston.	Other
1867.....	95,809	23.6	42.9	25.1	5.1	.....	.....	0.8	2.5
1881.....	169,329	29.5	39.4	18.9	8.4	.....	1.9	.....	1.0
1897.....	282,230	45.0	23.8	16.1	6.0	2.3	4.3	1.3	0.7
1913.....	517,522	42.2	13.3	19.3	6.5	6.8	9.2	1.7	1.0
1935.....	335,063	63.04	10.0	8.5	11.3	1.5	4.1	0.6	.....

GROWTH OF INDUSTRIES (Indicating year and number of factories with more than 50 workers).

1884.....	51	1924.....	200
1900.....	151	1925.....	209
1910.....	228	1935.....	287
1921.....	112	1937.....	349



Street Market in Liepaja

LARGEST PROVINCIAL CITIES

The province of Kurzeme, south of the river Daugava, has 12 cities. The most important of them are Liepaja and Ventpils which have ports ice-free all the year around.

Liepaja's flag is red-green with the linden tree ("liepa") as the coat of arms in the center. Liepaja was founded in the close neighborhood of the old Kuronian inland port *Jurpils* or *Seeburg*, on the lake of Liepaja, which is mentioned as early as the IX century. Liepaja, connected with the lake by a canal, flourished particularly under the Dukes of Courland. During the first half of the nineteenth century, under Russian rule, it was a neglected small provincial fishing port. During the Crimean War, Liepaja in 1854, was captured by the English Admiral Sir Charles Napier. As soon as the "Duke of Wellington" appeared on the bay of Liepaja, on May 18, 1854, "the tsar's troops—Sir Charles Napier reported—left the town so pitifully to its fate." The English were received in a friendly manner by the population of Liepaja. But the British soon left the city. This occurrence gave the Russian government the idea that Liepaja should be transformed into a first class Baltic naval port, and large sums of money were thrown into the project. Meanwhile, a flourishing export and import industry developed in Liepaja after it was connected by a railway with the hinterland. Also local industries (metallurgy, linoleum, etc.) appeared. The first World War proved

that Liepaja could not be the coveted Baltic port for the Russian navy. The port is indeed large, and the entire squadron of Rozhdestvensky's fleet in 1904 sailed to Japan from the port of Liepaja, but the port was not suitable for defense. The Germans took Liepaja in 1915 very easily. In the fall of 1914 the industries of Liepaja were evacuated or destroyed. During Latvia's independence Liepaja again revived and renewed a rather important metal industry, a navy yard and drydocks for repair of merchant vessels, a sugar refinery, and other local industries. It has preserved its centuries-old amber industry and continued to be an important fishing center. As a spa it was widely known. Near Liepaja was a most enchanting watering place—Bernati, situated among pine woods on the sandy Baltic seashore. Liepaja was connected with Ventspils and Riga by first class highways, in addition to the railway. Also a Riga-Liepaja airline was opened using the Latvian-invented one-motor airplane "Spriditis"—Tom Thumb, built of plywood and steel. Already in the twenties a free port was opened in Liepaja.

Ventspils. The other most important port of Kurzeme, Ventspils, in the northern part of Kurzeme, is the foremost Latvian timber port. The largest grain elevator in the world and cold storage plant for butter were erected, intended for the Russian export. Both Kuronian ports (Liepaja and Ventspils) lie opposite southern Sweden, only 275 miles away. The island of Gotland is only 80 nautical miles away; that explains the close connection with Scandinavians during the early medieval ages.

Other large cities in Kurzeme are: Tukums, known by its country fairs, and Kuldiga, the old site of Kuronian kings, known under the domination of the Livonian Order as Jesusburg.

JELGAVA

Zemgale has 11 cities, the foremost being Jelgava or Mitau, situated on the river Lielupe (the Aa) and existing already in the thirteenth century. Jelgava's flag is deep blue-red with an elkshead as the coat of arms in the center. It is an inland port connected with the Gulf of Riga by a canal. Jelgava is the old capital of the Duchy of Kurzeme and Zemgale. Its name means city on the river. The Latvians also called it "Mitava", meaning trading post or market place. The name of Jelgava, however, prevailed.

Jelgava is the seat of the State Agricultural Academy. Important textile industries, a sugar refinery, and numerous brick factories lie in Jelgava and its surroundings. Beautiful castles and buildings constructed by the famous architects, the

Italians, Rastrelli and Quarenchi, and the Dane Jensen, adorn the city. During this war Jelgava was badly damaged.

In 1730 in Jelgava the dowager Duchess Anna, elected Tsarina of Russia, signed the Constitution, which she granted Russia. The exiled King of France, Louis XVII, lived for several years in Jelgava in the Ducal castle. After the annexation of Kurzeme in 1795 Tsarina Catherine II transferred the Ducal library to the St. Petersburg Academy of Sciences, also many pieces of art to the Hermitage.

Next to Jelgava, the largest city in Zemgale is Jekabpils, on the left bank of the Daugava, founded by Duke Jekabs of Kurzeme (XVII century).

Also Bauska should be mentioned as the residence of King Viesturs (the Hospitable) of Zemgale in the XIII century. On September 22, 1236, at Saule, near Bauska, the Order of the *Fratres Militiae Templi de Livonia* was fatally defeated.

DAUGAVPILS AND REZEKNE

Latgale, the province north of the Daugava, bordering on Soviet Russia, has 14 cities. The largest city of Latgale is Daugavpils, meaning the castle on the Daugava, an important railway junction in transit traffic with Russia, Poland, Lithuania, Ukraine and White Russia. Daugavpils and the second largest city of Latgale, Rezekne, are the cultural centers of Latgale, and also centers of the important flax-growing industry. Daugavpils is an old Viking trading point and was also known as Dimborg. Rezekne also is known for its fine horses, particularly fit for trotting races.

Besides Rezekne, of some importance are Griva and Ludza, both in north-eastern Latgale: they have more than 5,000 inhabitants and are important market places.

CESIS AND VALMIERA

Vidzeme, another province north of the Daugava, but bordering on the Gulf of Riga, has 21 cities, among them the already described Riga, the capital. The largest and oldest after Riga is Cesis or Venden, the Latvian stronghold, which displayed the Latvian crimson-white-crimson flag as early as the XIII century. The garrison of Cesis in 1577 preferred to blow up the castle rather than to surrender to the Muscovites.

Valmiera (already existing in the XIII century) has abundant salt-water sources. Both Cesis and Valmiera are important agricultural centers in Vidzeme. Priekuli, near Cesis had the first in Latvia privately organized agricultural institute.

PICTURESQUE TOWNSHIPS .

Almost all Latvian cities have picturesque ruins of medieval castles, destroyed during the Polish-Russian, Polish-Swedish and Swedish-Russian wars.

There are several small Latvian cities of certain historical interest. For instance, Piltene in northern Kurzeme is the old residence of the Bishops of Kurzeme, and already was known in 1219, when the Danes tried to storm this fortified town of the Kuronians. In 1559 it became the residence of the Danish Duke Magnus, later King of Livonia (1570-1578). In the XVII century Piltene with its district became an autonomous part of the Duchy of Kurzeme and had its own Diet and local laws.

In Northern Kurzeme still exists the town of Durbe, where on July 13, 1260, the Knights of the Livonian Order were defeated by united Kurs, Zemgali and Samogithians. Also in northern Kurzeme we find the picturesque medieval Talsi, in central Kurzeme—Skrunda and Saldus, and southern Kurzeme—Barta and Rucava, famous for their particularly rich and colorful national costumes.

In the province of Zemgale, south-east of Kurzeme, should be mentioned the towns of Dobeles, Mezhotne, Tervete—all strongholds of the mighty King Viesturs of the XIII century. Dobeles has very interesting ruins of an old Latvian castle-mound and a castle of the Order. It is known for its markets and country fairs. Mezhotne on July 24, 1219, was the battlefield between the Order and King Viesturs, who emerged as victor. In modern times Mezhotne had a widely known house-keeping institute and a sugar factory. Tervete is known by its Sanatorium for tuberculosis victims.

Also in Zemgale, but more to the southeast, in the district of Illukste, we find Nereta, Subata and Illukste—old fortresses of the Selonians.

In Vidzeme, on the right bank of the Daugava, lies Ikshkile, the old Livian settlement on the Daugava river, the residence of Bishop Meinhard (1180-1196), the Apostle of the Livs. South of Ikshkile lies Lielvarde, the seat of the legendary Latvian national hero Lāčplēsis. In 1261 at Lielvarde the Order was defeated by the Zemgali under the leadership of their King Chabys. On the right bank of the middle Daugava are located Koknese, the residence of a Latvian tribal dynast, and Jersika (from the Viking word "Guersk", meaning a Viking merchant), the residence of Vissevald, King of Latgale, in the XIII century.

Similar historic places are to be found in the Central and Northern part of the province of Vidzeme.

The already mentioned Sigulda on the left bank of the Gauja river was an old Viking stronghold, and nearby, on the castle-

mound of Kubesele, was the seat of the Livian Vanem or Elder Kaupo (Christian name Jacobus), who was the ruler of the *Terra Livonum* on the estuaries of Daugava and Gauja, and whom the chronicler calls *quasi rex et senior*. In 1204 Kaupo made a voyage to Rome and was recognized by Pope Innocent III. After the death of Kaupo the Prince-Bishop of Riga in 1217 took over the domain of Vanem Kaupo by the last will of Kaupo, and made Sigulda his summer residence. Of the splendid medieval castle with its imposing chapel only ruins remain. On one of the arches is still to be seen the coat of arms of the Livonian Order. The new castle, built in the XIX century, was dedicated by the Latvian Government to the Society of Authors and Newspapermen, which was also made custodian of the National Park of the Gauja Valley, known as the Livonian Switzerland. Opposite Sigulda lie the old strongholds Krimulda and Turaida ("Tor-eida" means Garden of God Tor). Incidentally, the manor of Krimulda, one of the most beautiful palaces in Vidzeme, was owned by a Princess Lieven, a descendant of Vanem Kaupo. The princess made a gift of it to the Latvian Red Cross, which opened a hospital there for crippled children. In the neighborhood of Sigulda, also on the Gauja river, lies Ligatne with its famous rag-paper mill, producing with water power the finest linen papers, banknote paper, etc. Some 20 miles from Sigulda, more to the north, near Cesis, are the battlefields of 1919 between the German territorials (the "Landeswehr") and Latvian-Estonian forces. The Germans were decisively defeated and routed there. On the battlefield the Latvians erected a war memorial for the brave Estonian soldiers killed in battle. North of Cesis lies Rauna with an old Latvian castle mound, the castle having been built of stone.

In northern Vidzeme worthy of mention is Limbazhi, adorned with picturesque old ruins. In modern times Limbazhi has established a large felt hat factory. Ainazhi, a port on the Gulf of Riga, borders on Estonia; it is a shipbuilding center and the site of a navigation school. Also on the Estonian border is situated Valka, where in 1419 the Livonian Diet convened for the first time and where the Latvian National Council on November 18, 1917, proclaimed Latvia's independence. It is the same city which in 1920 by decision of the British arbiter, Colonel Tallents, was divided into two parts: one Latvian, the other Estonian.* The border goes right through the heart of the city.

In Central Vidzeme are Ranka, Tirza, Gulbene, Piebalga, Malpils, Cesvaine—all birthplaces of Latvian poets and writers. There is also Madona with a large broadcasting station.

* Sir Stephen Tallents. *Man and Boy*, London, 1943, pp. 371-379.

Between Ainazhi and Valka lies Rujiena, with an old Latvian castle mound. South of Rujiena is the legendary lake Burtnieks, where the "Castle of Light" was sunk. Also in Northern Vidzeme lies TriKate, the seat of the tribal King Talivalds (XIII century).

Last but not least, let us mention the picturesque town of Aluksne or Marienburg, on a lake of the same name, situated in north-eastern Vidzeme, not far from the Russian frontier. In Aluksne pastor E. Glueck in 1689 finished the translation



Latvian Orphan Girl Rules Russia
 Founds Academy of Sciences

of the Bible into Latvian. In 1687 he opened there the first Latvian normal school. In 1712 his stepdaughter, a Latvian orphan-girl named Martha, married Tsar Peter the Great, who established in her honor the Order of St. Catherine. Under the name of Catherine I (not to be confused with Catherine II, a German princess), she ruled over Russia from 1725 to 1727. On December 21, 1725, Tsarina Catherine opened the St. Petersburg Academy of Sciences.

Her eldest daughter, the beautiful and well-educated Anna, married the Duke of Holstein, Carl-Frederick, in 1725. The marriage was a happy one but short lived. Duchess Anna died in 1729. The Duke established the Order of St. Anne in honor and memory of his beloved wife. This Order was adopted in 1761 by the Russian Tsar Peter III, the son of Duke Carl-Frederick and Grand-Duchess Anna.

Elisabeth, the second daughter of Catherine I, although less attractive, was very intellectual. Plans were made to give her in marriage to the King of France, Louis XV. Elisabeth, however, remained a spinster and became Tsarina in 1741. When Tsarina she visited Vidzeme, the homeland of her mother. It was Elisabeth who elevated her three living grand-uncles, simple Latvian peasants, to the rank of count. Their descendants are the Counts Skavronski, Jefimovski and Hendrikov. She also made the son of Pastor E. Gluck, the stepfather of her mother, a nobleman.

Aluksne was outstanding also in modern times as a cultural center. The Baroque church of Aluksne has some rare old paintings. The parsonage of pastor E. Glueck still exists.

Finally, there are several historic Latvian cities in Latgale, the beautiful country of lakes and fir forests, bordering on Russia, as, for instance, Aglona with the miraculous image of the Holy Virgin (the *Sancta Maria Lacrymosa*), which is the sanctum of Latvian Roman Catholics. Picturesque Kraslava, Piedruja on the upper Daugava, as well as Dagda, Izvalta and Balvi, are several of the old Latgallian fortresses along the thousand-year-old Latvian-Russian border. Indra and Zilupe are the foremost frontier stations with Russia.

CASTLE MOUNDS

Hundreds of castle mounds with picturesque ruins of old medieval castles and fortresses adorn the rolling hills of Latvia and the banks of the Daugava and other rivers, testifying to the rich history of the Baltic gateway to Eastern Europe, the Viking Eastern Route—the *Austrvaegr*. However, the ruins of the Castles of the Livonian Order are also testimonies that military conquest does not prevail.

CULTURAL LIFE

LATVIAN LANGUAGE

The author of the oldest Latvian history (*Historia Lettica*, 1649), P. Einhorn* was also the first to make a study of the origins of the Latvian language. Actually only the Comparative Philology has been able to solve this problem by establishing that the Latvian language, as a language in its own rights, belongs to the division of the Satem languages of the Indo-European family of languages and is registered in the Baltic branch, into which are classified also the Lithuanian and the Old Prussian.†

As the Sanskritic group also belongs to the same division, some philologists are inclined to consider Latvian as the Sanskrit language. Actually Latvian and Lithuanian being akin to the Sanskrit are, however, older than Sanskrit from the point of view of phonetics.‡

While Latvian and Lithuanian are still living languages, the Old Prussian, the third language of the Baltic branch, is now extinct, and only a few incomplete dictionaries and texts of it are preserved. In the sixteenth century Duke Frederick William of Prussia had ordered the Bible to be translated into Prussian. The translation, according to K. Tetsch,§ was made, but the Prussian Bible was not published. The whereabouts of the manuscript is not known, but is it not excluded that some day the manuscript will be found in some secret Prussian archive, which were not all explored and not even accessible to Baltic philologists.

Very interesting are the place, river and lake names in Eastern Prussia, which are Old Prussian and very often sound like Latvian. Actually the Old Prussians and their neighbors, the Kurs and Zemgali, were the closest kinfolk. The Kurs, according to archaeological excavations,¶ have lived on the Baltic Amber-shores since almost the Bronze Age. There is still the "Kurishes Haff" (lagoon), "Kurische Nehrung" (sand-spit) and "Kurische Niederung" (lowland) in Eastern Prussian maps. The Papal Delegate of the XIII century, Balduin of Alna, stated that the Kurs and Prussians are the same people. The already mentioned historian of the XVII century, P. Einhorn, testified that still in his time Latvians lived along the

* P. Einhorn. *Historia Lettica*. Dorpat, 1649, chapter 11.

† *Webster's New International Dictionary*, Springfield, Mass., 1937, p. 1268.

‡ U. Katzenellenbogen. *Daina*. Chicago, 1935, p. 3.

§ K. Tetsch. *Kurländische Kirchengeschichte*, Vol. 1, Riga, 1767 and Vol. II, Koenigsberg, 1768.

¶ *Latviesu Konversācijas Vārdnīca*, Vol. XI, Riga, 1938.

Eastern Prussian Baltic shores from Danzig up to Kurzeme. South of the Prussians lived the now extinct kinfolk of the Lithuanians, the Yadvingi, whose settlements reached as far as the Bug river. South of the Kurs and Zemgali lived Lithuanians, mostly on the Niemen river basin. The Samogithian tribe of the Lithuanians, the closest to the Zemgali, eventually reached the shores of the Baltic at the mouth of the Niemen and there founded Klajpeda.

Other Latvian tribes, the Latgali and Tālavi, lived north of the Daugava river. On the southern middle Daugava lived the Latvian Sēli, who later merged with the Zemgali.

The Lithuanian philologist, Professor K. Buga, has found that in the Upper Dnepr basin there were about 101 Baltic river names. Among them are to be found such names as Latva, Latuva, Latupe. This shows that Latvian-Lithuanian tribes might have lived as far to the south as the upper Dnepr and also on the upper Daugava in the district of Polotzk, where they were known as the "Golyad" by the Russian chronicler Nestor. The present Latvian-Russian ethnographic frontier probably became stabilized around the VIII century.

There is, of course, much discussion about the origins of the Latvian-Lithuanian language, particularly because of the similarity with the Sanskrit and consequently also with the Slavonic. Some Slavonic philologists, both Russian and Polish, try to prove that Latvian-Lithuanian are originally Slavic languages. Very often one reads in newspapers that Eastern Prussia was inhabited by Slavs. The fact is that the Slavs, like the Germans, tried to occupy the Baltic lands. Thus the artificial theory of a Slavic origin of the Baltic peoples was promoted. And it was also falsely emphasized that originally both peoples, Balts and Slavs, had a common homeland somewhere in the Carpathians and that Latvian and Lithuanian ought to be considered as having derived from a Baltic-Slavic language.† This primitive Baltic-Slavic allegedly was spoken thousands of years ago, when the Balts and the Slavs supposedly still lived united somewhere near the Carpathian Mountains. Then they allegedly separated from one another: the Slavs went south-eastwards and westwards, and the Balts to the north. Prof. Senn, one of the protagonists of this theory in the U.S.A., tries to substantiate this thesis by publicizing a group of Baltic and Slavic words, apparently similar. But the Baltic languages (being close to Sanskrit) also have much in common with Gothic, Latin and Greek, so why not also imagine some primitive "Balto-Gothic", "Balto-Latin" or "Balto-Greek" languages? For instance, rye is in Lithuanian "rugys", Old-Prussian

† A. Senn. *On the Degree of Kinship Between Slavic and Baltic*. The Slavonic and East European Review, Vol. XX, 1941, pp. 251-265.



**National Theatre in Riga, Where Independence of Latvia Was
Proclaimed on November 18, 1918**



Riga City Museum of Fine Arts

“rugis”, Gothic “roggo”, Scandinavian “rugr”, German “Roggen”; wheat is in Latvian “kviesis”, Lithuanian “kwietys”, Old-Prussian “gaydis”, Gothic, “hvaites”, German “Weizen”; sun in Latin is “sol”, Latvian “saule”; night in Latvian is “nakts”, similar to the Latin “nox”, etc. Prof. A. Senn eventually agreed that the theory about a Baltic-Slavic primitive language is not sustainable and in 1942 discarded it.*

* A. Senn. *The Lithuanian Language*. Chicago, 1942. Published by the Lithuanian Cultural Institute, pp. 20-23.

The fact that the Baltic languages, especially the Lithuanian, contain a number of Slavic words, can easily be explained by the territorial neighborly connections between the Lithuanians, the White-Ruthenians, and the Ruthenians. The White-Ruthenian language at the time of the Lithuanian-White Ruthenian State from the thirteenth till the sixteenth century was the court language of the Lithuanian Grand Dukes. The Lithuanians ruled over 10 times more Ruthenians than there were Lithuanians, and evidently the ruling Lithuanian lords had to learn Ruthenian in order to command, judge, and administer.

The Code of the Lithuanian-White Ruthenian State (promulgated in 1529) was also written in White Ruthenian. The White-Ruthenians before their federation with the Lithuanians had absorbed the less numerous kinfolk of the Lithuanians, who lived in the districts of Minsk, Smolensk and Vitebsk. The same perhaps would have happened finally to the ruling Lithuanian minority. History knows that to have happened to the Franks, Bulgars, and other ruling tribes which assimilated with the conquered majority. Thus the Lithuanian language has acquired a certain number of Slavonic words.

The Latvian language contains fewer Slavic words, because the Latvians always lived separately from the Slavs, having between them a rather broad swampy borderland.

At any rate, the Balto-Slavic protagonists have written numerous interesting treatises to support their theses; their research work enlarged the scope of the problem of the origins of the Latvo-Lithuanian languages.

However, it is a scientific fact that the Balts are a nation of their own and that the original Baltic language is as genuine as the other languages allegedly derived from one Indo-European mother language.

Latvian was recognized as a separate language, not related to the Slavonic, as early as the XVI century. For instance, Richard Hakluyt, the English historian of the sixteenth century, states in Vol. II of his *Principal Navigations*, 1589 (p. 193):

"This indeed we can in no wise deny that even in Livonia (then Latvia and Estonia) itself, there have bin in times past and at this present are many and divers languages (Latvian, Livian, Estonian) spoken by the people. Howbeit no one language of them all hath any affinity either with the Muscovian tongue or with the tongue of any other nation."

Also the already mentioned P. Einhorn, a general-superintendent of the Lutheran Church in the Duchy of Kurzeme in the seventeenth century, considers the "Latwiska walloda" or the Latvian language the vernacular and a language in its own

right, having affinities with Greek and Latin, which also are related to Sanskrit. Modern philologists, such as Meillet, Hauser, Endzelins, Blesse, Buga and others have definitely accepted the Latvian language as a genuine one.

It is, however, not yet proved where the original homeland of the Latvians was. Their folklore has the Arian sun-myth with the dualism of a masculine and feminine deity. (God in Latvian is *Dievs*). The sun, *saule*, is feminine, the moon—*menesis*—is masculine. *Dievs*, also called *Perkons*, the Thunderer, and *Laima*, the Fairy, rule the universe. The Latvian folklore knows also the tale about the World Flood, there are numerous legends about rich sunken castles and cities. This may hint to the Mediterranean region as the original homeland of the pre-medieval Latvians.

There is no doubt that the Latvians living since times immemorial on the North-Eastern Baltic shores, also spoke their own language since times immemorial.

In some respects the Latvian is even more archaic than Lithuanian, its nearest kin. It retains the “s” of the original Satem languages of the Indo-European family, whereas the Lithuanian language shows the change to “sh”. For instance, the Latvian *simts* (hundred) corresponds to the Lithuanian *šimtas*; *svets* (holy) to *šventas*. Latvian has preserved the short vowels that are long in Lithuanian; Latvian accents the first syllable (like the Greek) and has a peculiar gerundive expressing necessity, with the prefix “já” (iya) for instance, *ja-dara* (I must do), *ja-iet* (I must go). It is interesting to note that the Latin chronicler of the beginning of the XIII century, Henricus de Lettis, uses for the designation of the Lithuanians a derivative *Lettones*, created from *Letti*, the name of the Latvians.

PHILOLOGY

Although a Latvian catechism and hymnals were printed in the XVI century, dictionaries and the Bible in the XVII century, and grammars in the XVIII century, the Latvian language became the object of systematic scientific study only in the XIX century when Latvian philologists appeared, but particularly after a Department of Philology was opened at the Latvian University in 1919.

The Latvian philologists J. Endzelins (b. 1873), J. Plāķis (b. 1869), J. Lautenbachs (1847–1928), J. Velme (1844–1928); the folklorists Kr. Barons (1835–1923) and P. Schmits (1869–1936); the literary historians T. Zeiferts (1865–1929) and R. Klaustins (b. 1875), and other Latvian philologists vied in training high school teachers of Latvian language and literature, and fostered interest in Latvian philology. Simultane-

ously scientific grammars, dictionaries, textbooks of history of literature and literary compendia were prepared for schools. In 1922, in Heidelberg, appeared the 840 page basic scientific Latvian Grammar (*Lettische Grammatik*), the lifework of Prof. J. Endzelins, who also revised and reedited (1923-1932) K. Mühlenbach's Latvian Dictionary, a work published in four volumes under the auspices of the Latvian Ministry of Education. A revised and completed new edition of the Latvian *Dainas* or folksongs also was reprinted in 1932, under the supervision of R. Klaustins and J. Endzelins. In 1925, the collection of Latvian folktales, legends, riddles, proverbs, sorcery words and sayings of A. Lerchs-Pushkaitis had been revised and re-edited by Messrs. P. Schmits and A. Schvabe. Also Latvian folk-anecdotes have been collected and in 1930 published in four volumes by P. Birkerts. These works constitute the veritable treasure-store of the Latvian language, and are an inexhaustible well from which Latvian philologists, writers, and publicists drew their inspiration and style.

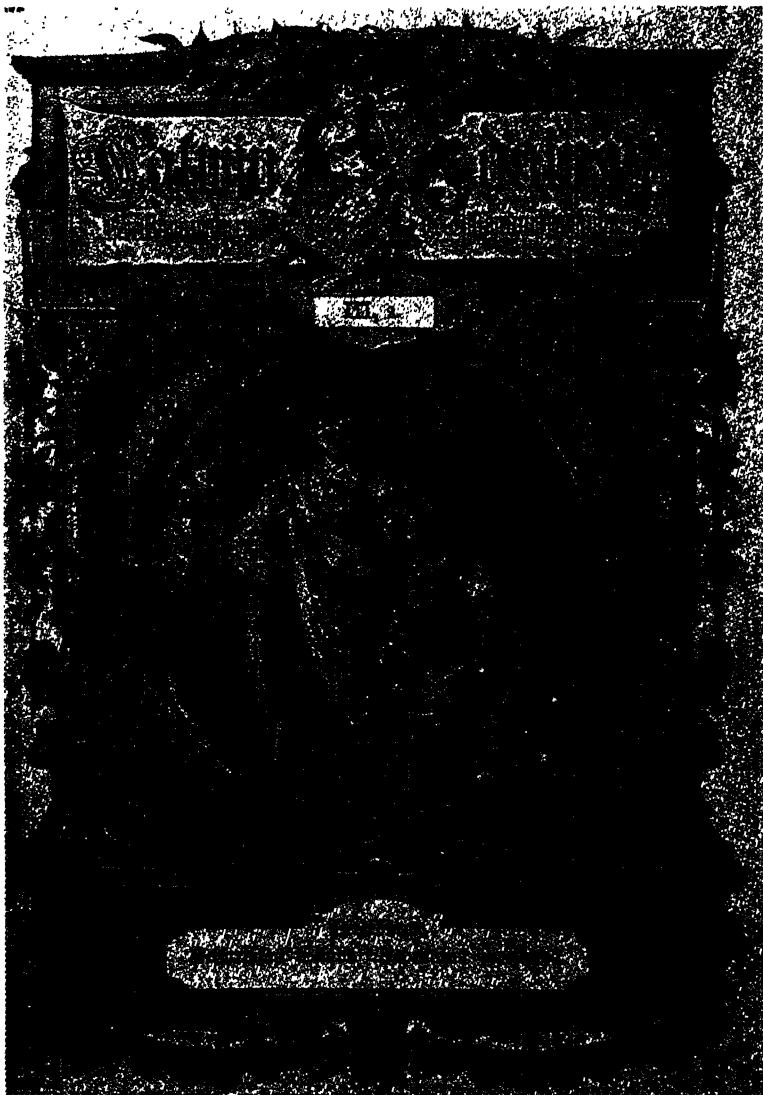
In order to simplify and unify the spelling, the Latin alphabet was made compulsory, replacing the unpopular Gothic.

The Latvian language was systematically purified of barbarisms introduced by the German Lutheran pastors, most of whom being strangers had to learn Latvian and did it superficially. These German pastors had monopolized the publication of Latvian grammars, dictionaries, and handbooks, from the seventeenth century on through to the beginning of the nineteenth century. The reason was that they themselves needed these textbooks to learn Latvian, so that they could preach in Latvian churches, to which pastors of the Latvian race with few exceptions as a rule had no access. Some of the German pastors even attempted to pose as Latvian poets and translators, the result being a distorted and mutilated language. The purification of the Latvian language was begun in the middle of the XIX century and was eventually successfully achieved by Mühlenbach and Endzelins. The Latvian Society of Philologists has great merits in promoting a unified Latvian literary language. The scope of the work of Latvian philologists was manifold: hymnals and the Bible were to be re-edited, Latvian laws and decrees had to be edited in literary language. The Latvian Constitution of 1922, Penal Code of 1933 and Civil Code of 1937 present fine examples of Latvian juridical language. All kinds of publications of a scientific nature scrupulously followed the advice of philologists.

Beside German* and French philologists† also American and British linguists had shown a certain interest in the Latvian

* Dr. A. Bielenstein. *Die Grenzen des Lettischen Volksstammes*. St. Petersburg, 1892.

† A. Meillet. *Les dialectes Indo-Européens*, Paris, 1908.



Title Page of Collection of Latvian Folksongs-Dainas.
Drawn by R. Zarinsh

language. An English grammar of the Latvian language was written by the Professor of Columbia University, John Duneley Prince (published by I. M. Dent & Sons, London, 1925); K. Brandt and W. K. Matthews, professor of English at the English Institute in Riga, prepared a Latvian-English dictionary (published by A. Gulbis, Riga, 1930, 420 pages); J. Drav-

nieks prepared an Anglo-Latvian Dictionary (published by Walters & Rapa, Riga, 1924, 606 pages).

FOLKLORE

The basic treasure of Latvian folklore are the *Dainas** or folksongs, legends, fairy tales, proverbs, sorcery words, etc. They reflect the ancient culture and history of Latvia, as well as the occupations, philosophy of life and ethnographical characteristics of the Latvian people.

The *Dainas* present a poetical description of the life and the occupations of the Latvians, from their birth to death. The horse (mentioned in the *Dainas* 5,146 times) and the rooster are the best loved domestic animals, but the bee, different birds, flowers (especially the corn-flower), medicinal plants, and trees (the oak and the lime-tree), are also prominently mentioned. There is a very popular and nice melodious Latvian folksong about the little rooster ("Kur tu teci, gailiti manu, no rītina agrumā"—Where are you trotting, my little rooster, in the morning early? The rooster answers that he is trotting to awaken the girls and the boys). The tune of this folksong was adopted by the Estonian Home-Guards as their official march.

The folksongs also mention fierce ancient Latvian warriors, and their successful wars with the aggressors. They reflect hatred toward the strange invaders, particularly the "Vatzi", the Germans,† for the latter had seized their treasures and the lands of the Latvians. They remember the times when the people were rich and well-to-do, as seen from the following *Dainas*:

Latvian text:	English version (verbally translated):
Sudrabota mates meita	Silverish (or covered with silver brooches)
Staiga celu vaicadama	mother's daughter
Staipa rokas tautu meita	Strolls the way inquiring,
Rada savus gredzentiņus	Waves her hands the folks daughter (bride),
	Boasts of her little rings.
Man zirdzinam zelta pieshi	For my pony I have golden spurs,
Sudraboti iemauktini	Silverish (or covered with silver) bridle,
Sedli spid izrotāti	Saddles shine adorned (ornamented)
Ar zeltinu, dimantu	With gold and diamonds.
Es apkalu mēlu zirgu	I shod a black horse
Sudrabina pakaviem	With silver shoes,
Tas bij labs tumsa jāt	It was good in the darkness to ride
Līdz uzlec mēneštinš	Until the little moon rose.

* The word *Daina* means folksong and may be cognate with the Rumanian *Doina* and the Irish *Dan*. The Latvian philologist Prof. P. Smits considers these Baltic and Rumanian words as loaned from the Thracian.

† According to A. Schvabe, the historian of Latvian Law (*Latvijas tiesību vēsture*, Riga, 1932, V. I., p. 23), the Latvians call the Germans "Vatzi", after a South-Scandinavian tribe of the "Wak-Goth" with whom the Latvians, Prussians and Lithuanians had contact between the IV-VIII centuries A. D., when the Goths used to live on the Vistula River before moving to Southern Europe.

As already mentioned, Latvian tales narrate strange happenings, reminding one of the great world flood. Magnificent cities, numerous castles with kings and princes and above all the "castle of light", suddenly sunk into lakes, but the Latvian people believe that the "castle of light" will rise again. And then Latvia will become free and independent.

In olden times the *Dainas** probably were sung. The actual number of Latvian *Dainas* is about 650,000 and is rivaled only by the equally numerous fairy tales [51,905], riddles, proverbs and sorcery formulas.

Also the Latvian Epic is rich, of which in the first place should be mentioned, the legends about "Kurbads" and "Ojars", the forest clearer and the pioneer; about "Tsaunis," the skilled artisan, and the Latvian superman "Lāčtplēsis"—the Bear-slayer. The latter organizes administration and defense of the clans who coalesced into tribes. The patriarch of the Latvian nation is considered "Videvuds", from whose sons the Latvian tribes descend.

The legend of Lāčtplēsis (meaning one who tears a bear to pieces), the ideal Latvian lover, husband, statesman and warrior, inspired the poet A. Pumpurs (1841–1902) to write an epic on the subject in verse. It appeared in 1880, and since that time it has become one of the most popular books. Another Latvian poet, J. Rainis, has written a drama "Uguns un Nakts" (Fire and Night) portraying the romance of Lāčtplēsis and Laimdota, daughter of the good fairy Laima.

According to the epic a Latvian prince once during a hunting party encountered in the forest thicket a she-bear nursing a human child. Seeing the prince the bear disappeared into the forest, leaving the boy. The latter was like all other children, except that his ears were like those of a bear. The prince adopted the boy and made him his heir. The child grew to be a very strong man, who could tear a bear to pieces. That is why he was called Lāčtplēsis.

Princess Spidola (Shining One), daughter of an evil spirit, also falls in love with Lāčtplēsis and tries to entice him away from Laimdota. It is evident that Lāčtplēsis symbolizes Latvia, Laimdota—the progressive spirit, and Spidola—the reactionary forces. Lāčtplēsis, besides being strong physically and spiritually, has learned many important secrets from the Burtņieki, the wise old men who live in the Castle of Light to which Lāčtplēsis has the key. Laimdota also lives in the Castle. It is the aim of Spidola to obtain the key, destroy the castle with its Burtņieki and old scrolls, and annihilate Laimdota. Lāčtplēsis is to be made to submit or be destroyed.

* An English Anthology of *Dainas*, with an introduction by Prof. C. A. Manning of Columbia University, has been published by U. Katzenellenbogen (Chicago, 1935). U.K. translated and published several hundred Latvian *Dainas*.

Spidola is a witch and has devoted spies even in Lāтчplēsis' household. The name of her secret agent is Kangars, and to this very day Latvians call a traitor Kangars. This agent betrays Lāтчplēsis and almost succeeds in delivering the key of the Castle of Light to Spidola, but Laimdota saves the Castle and its treasures by sinking it in a lake (Lake Burtnieki in Vidzeme). Spidola then sends the Black Knight, a formidable and well armed giant, against Lāтчplēsis. Kangars informs the Black Knight that the secret of Lāтчplēsis' strength lies in his bear's ears.

In the battle with Lāтчplēsis the Black Knight cuts off his bear's ears one after the other. However, Lāтчplēsis retains his grip on the Black Knight and they both fall into the River Daugava, where they continue to struggle. Laimdota becomes a weeping rock (Staburags). The Latvian people believe that Lāтчplēsis will return to liberate Latvia from foreign domination.

Songs, music and dances went together. The old Latvians had their own musical instruments, such as *stabule* (flute), made from the bark of the alder, birch, fir, pine or the nut-tree; sometimes it was carved. A horn instrument, the *taure*, was also made from bark, but also the real horn of the aurochs, called in Latvian *sumbrs*, was used. The *Dainas* also mention copper trumpets. These instruments served for hunting signals, assembly signals, etc. Very popular with the Latvians were the *dukas*, *dudas* or bag-pipe, made in the same manner as the Scotch bag-pipe. For the beating of rhythm *bungas*—drums, made from wood or copper were used. The most delicate old-Latvian string instrument was the *kokle*, a harp, which was used to accompany folk-songs.

The old Latvian folk dances are: the *Achkups* (a polka), *Jandalins* (gallop), *Sudmalinas* (mill-dance), *Tudalin-tagadin* (bag-pipe dance). They are mostly group dances, accompanied by songs. Mrs. Elsa Silins (b. 1895), herself a well known Latvian dancer (but a dentist by profession), wrote a scientific treatise about Latvian folk dances.

It is evident from the above that Latvian folklore is as rich and as developed as any other European folklore. It is the product of the spiritual life of an old nation with a history which goes back for more than five thousand years.

THE LIGO DAY

"Hard weeks and merry holidays" is the way the Latvians like to live. The most popular holiday in the country is the

Ligo Day, which coincides with the Eve of St. John's Day (actually substituting the old pagan festival after the Latvians became Christians). A flower carnival—the *Ligo* festival—takes place. That is the time when all the work in the fields is done and the farmer can look forward to a good harvest: this calls for celebration.

Flowers are in full bloom and medical herbs have ripened. Wreaths and garlands are made of oak leaves, to honor guests. All over the country, as a sign of national unity, bonfires are burned and short *Ligo* songs are sung, such as: *Sit, Janiti, vara bungas, Ligo, Ligo* (Beat, Johnny, drums of copper, *Ligo*). Medical herbs such as camomile, valerian, etc., are picked, dried and put away in store-rooms, to be used later as effective medicines against colds and other ailments.

Young and old people gather, sing and dance, mostly in group dances.

According to Latvian folklore, *Ligo* was a fairy of flowers. During the *Ligo* festival swings are put up and young as well as elderly people swing, singing old Latvian *Ligo* and other folk tunes. (Latvians have, beside numerous folk songs, also thousands of merry folk tunes.)

In the cities at the time of this flower carnival a special flower and herb market takes place. Very popular with the Latvians was the Herb-market in Riga, on the quay of the Daugava river. Usually country women would bring in their ready-made wreaths of flowers, oak leaves, rushes, and different herbs. Long lines of flower and green stands are formed along the water side. The ceremony usually begins shortly after 6 p. m., when people are through with their daily work. Young and old gather in groups, their heads and shoulders adorned with wreaths, and with bouquets of country flowers and bunches of rushes and other greens in their hands, some wearing fancy masks and paper caps. Baskets of sweets and balloons, as well as soft drinks and ice-cream are for children's delight, but for the grown-ups there is the famous, already mentioned, St. John's cheese, and mead. People walk, sing, throw flowers and rushes at each other, joke and amuse themselves in different ways. The festival culminates with fireworks and bonfires till late in the night. Boats decorated with wreaths and flowers and filled with merry people, singing and shouting, glide up and down the Daugava river.

In the country on St. John's Day the central figure is every farmer named John. People, mostly young folks, go in groups, singing and adorned with flowers and wreaths, to greet farmer Janis and his wife. Janis serves his guests with mead, while his hospitable wife slices St. John's cheese for the guests

as part of her treat. This is accompanied by the singing of *Ligo* songs, playing and dancing.

There is an old belief that on St. John's Day, at midnight, the fern blooms, gleaming like a star, and it is supposed to bring good luck to anyone who sees it do so. Therefore the young folk shortly before midnight walk in the woods, hopefully looking for that miracle—the blooming of the fern. The glow-worm (reminding one of the firefly, which is not to be found in Latvia) is called St. John's worm.

To complete the festival of St. John, bonfires burn high on the hills, and girls and boys jump through the fire, competing as to who can best show their skill in jumping highest and farthest. The air is filled with laughter, songs and joy. Thus the climax of St. John's Day is reached and slowly passes by.

OLDEST PRINTED TEXTS

Old Latvians knew the use of runic letters. Some inscriptions of this kind have been found—one was discovered on a Latvian old harp—*kokle*, and exhibited in the Historical Museum in Riga. Also many runic inscriptions have been found on old bee hives and other objects. The so-called “property signs,” collected by Dr. A. Bielenstein in his work *Die Holzbauten und Holzgeraete der Letten* (St. Petersburg, 1907, V. I., pp. 207–210) present particular interest. However, there is no documentation left about old texts, which probably existed, because the old Latvians had an intellectual class of *Burtņieki*, the “wise men”, who could read and write. Until the XVI century the Latin language was used as the literary and official language in Latvia, which was then ruled by Archbishops. Henricus de Lettis, the Latvian chronicler of the XII–XIII century who wrote his chronicles in Latin, is considered to be the first Latvian publicist. In 1526 pastor Nicholaus Ram translated into Latvian a Lutheran catechism, which was published in 1530.* In the same year a Latvian hymnal appeared. A Latvian Pater Noster was published by Simon Brunav in his *Preussische Chronic* in 1531; it has been republished by Sebastian Muenster in 1548, in his *Cosmographie Universelle* (p. 888). In 1537 a Latvian liturgie (pericope) was prepared by Pastor Jan Ek of the St. John's (Latvian) church in Riga. However, it was printed only in 1587. J. Ek also compiled a Latvian Catechism in 1540. In the church in Sventaja, near Liepaja in Kurzeme, some religious publications in the Kuronian dialect were found around 1560, but they were lost.

* J. Straubergs. *Rigas Vesture*, Riga, 1938, p. 269.

The Catholic counter-reformation in Livonia initiated by the Polish king Stephen Batory, after Muscovy's defeat, was instrumental in printing in 1585 in Wilno the Latvian version of the Catechism of St. Peter Canisius, translated by Father E. Tolksdorf, S. J. The counteract of this was the appearance of a Lutheran catechism, the *Enchyridion*, in Riga, in 1586, and in the same year a Lutheran hymn-book was printed in Jelgava, Zemgale, where also a Catholic counter-reformation began (but with less success than in Livonia). After in 1588 in Riga a city printing office was established some more Latvian texts appeared.

The seventeenth century, thanks to the enlightened Swedish administration, brought to Latvia parish and normal schools and also textbooks, which, however, have not been preserved. A considerable didactic literature appeared, such as the *Mamductio ad linguam Lettonicam*, compiled by J. Rehehusen and printed in Riga, in 1644; the G. Manzelius' (1593-1654): *Lettus, Phraseologia Lettica, Lettisches Postill*, and Father Georg Elger's, S. J., *Evangelia*, which was published in 1683, after his death. In 1687, by decree of King Charles XI of Sweden, parish schools had to be established in Vidzeme. Consequently some primers had to be printed, but have not been preserved. In 1685-1689 the Latvian version of the Bible was published by E. Glück (1652-1705), who compiled the already existing translated parts into one.

This religious-didactic activity continued also in the beginning of the eighteenth century, although interrupted at times by the reverses of the Great Northern War. In 1765 compulsory primary education was ordered in Vidzeme, thanks to the Russian General-Governor G. Browne (an Irishman), who insisted upon the issuance of this decree by the Livonian Diet. Already in 1761 there appeared pastor G. Stenders' (1714-1796) Latvian Grammar and an ABC, illustrated by the author himself. Incidentally, Pastor G. Stenders was of Flemish origin. Also in Mitau there appeared some Almanacs at that time, published by J. Steffenhagen (1743-1812), of Dutch origin, who was the court printer of the Duke of Kurzeme.

Latvian Literary Societies were founded in Jelgava in 1815 and in Riga, in 1824, both by German pastors, who continued to write papers about the Latvian language and folklore. These papers look today as amateurish as their translations of German texts into Latvian. Also the first Latvian newspaper, established in 1822 in Jelgava, the *Latweeschu Awihses*, presents a heavy artificial style, with endless heavy phrases predominating, while the style of the Latvian folklore and of the living language is light, rich with synonyms, and possesses its peculiar construction. One must, however, admit that the



Seat of "Rīgas Latviešu Biedrība"
The Association of Riga Latvians, the so-called "Athens of Latvia"

German pastors have some merits in having tried to produce a religious-didactic literature in Latvian language.

Nonetheless, these efforts did not constitute a genuine Latvian literature. Real Latvian literature began after education became democratized, culture was recognized as national and Latvians themselves mastered the pen. Latvian literature could develop only after the appearance of a Latvian middle and intellectual class.

LITERATURE

Latvian literature began to develop normally in the epoch of the National Awakening, which took sway in the eighteenth-fifties. Simultaneously a strictly national literature and press appeared in Riga, which became the center of the new Latvian middle and intellectual class. As previously mentioned, on February 19, 1868, a purely Latvian National-Political Club (called *Latviešu Biedrība*) was founded in Riga. It became the real stronghold of enlightenment, the revival of the legendary "Castle of Light", dreamed about by Latvians through the centuries of oppression and foreign domination. At that time Latvians already presented about 24% of the Riga population of 102,000. Their number grew steadily, so that at the end of the XIX century the city was predominantly Latvian. Under these circumstances the spiritual activities of the Latvian "Biedrība" also became more intense.

The literary and scientific section of the Latvian "Biedriba", to which a department of arts and theater was soon added, developed a most energetic and enthusiastic activity, particularly in creating a Latvian literary language. The publication of a Latvian Encyclopaedia (*Konversācijas Vardnīca*) was begun. The Society's Literary Magazine published essays on Latvian folklore, history, ethnography, archaeology, and popular arts and crafts. In 1873 the first national Singing Festival was organized by the Society, and in 1896 an Ethnographic exhibition was arranged during the Archaeological Congress in Riga, which proved a revelation to many European scientists gathered at the Congress.

The development of Latvian belle lettres followed closely. The period of didactic and religious literature was succeeded by a period of National Romanticism. This was the period that witnessed the appearance of the truly classical poets, like J. Allunans (1832-1864), who in 1856 published his *Dziesmiņas* or "Little Songs." It was Allunans who began the task of purifying the language of the barbarisms introduced by the German pastors. He, too, must be credited with the introduction of some 500 neologisms, all of which have since been accorded full citizenship in the Latvian language.

Interest in Latvian history and folklore was awakened. Those years were the period of national awakening also throughout Europe: Germans, Italians, Czechs lived through similar national rebirths. The movement comprised a political awakening as well, and the widespread kindling of a desire for national rights and autonomy. A historical background to strengthen the movement was found in folklore, legends and history.

Another prominent Latvian poet of this epoch is Auseklis (1850-1879), whose untimely death cut short his work. Also he was inspired by Latvian folklore and mythology. He wrote the song *Trīmpula*, dedicated to the Latvian Orpheus—*Trīmpus*.

Yet the real aim of the Latvian awakening was not merely to produce poetry and literature, but to make the Latvian nation conscious of its immortal and timeless value and ready to assume its part in human progress. The leading spirit of this realistic aim was Kr. Valdemars (1825-1891), who, as a predominantly economically minded Latvian, traced the program for an economic well-being as the base for the spiritual role to be achieved. "Young men, go to the Baltic Sea and sail the seven seas", he urged, "there lie the treasures that must be found!" Valdemars was active in establishing navigation schools and, above all, in creating for his people an ambition and a self-reliant spirit. In the first Latvian political newspaper,

Peterburgas Awihses, founded by Kr. Valdemars in liberal St. Petersburg, he published his own articles and articles of the foremost contemporary Latvian newspapermen. Among these were the already mentioned philologist J. Allunans, the sociologist A. Kronvalds (1837-1875), the folklorist Kr. Barons, and others. After a brilliant but short-lived existence (1862-1865), the newspaper was suppressed due to German-Balt intrigues, who hated to see their farmhands become emancipated and intellectuals.

A. Kronvalds in 1872 pointed out the program of Latvian national regeneration in a pamphlet, *Nationale Bestrebungen*, purposely published in German. In this pamphlet he promoted the development of Latvians from a class of farmhands into a nation conscious of its own destinies, and ready to take its place on an equal footing in the European family of nations. The spiritual and intellectual progress achieved in such a short time was as remarkable as the economic progress. Hand-in-hand with the development of the intellectual life of the country went the gradual emergence of a Latvian middle class. Business and trading enterprises were opened in the cities; schools were established; cooperatives and credit institutions were organized to buy ships, redeem tenancies and to build houses; children of Latvian nationality were sent to higher educational establishments and to universities. The Latvians were well on their way to become a nation of their own.

Once the vast riches of the Latvian folklore became universally known and the authenticity of the Latvian language became apparent, the German Balts could no longer question whether the Latvians were really a distinct nation. The Academy of Sciences in St. Petersburg began in 1898 the publication of the collection of Latvian "*Dainas*" compiled by Kr. Barons. Up till 1915, six tomes of this monumental work were printed. Altogether, 35,789 original folksongs and 180,000 variations were published. The ethnographer Ansis Lerchis-Pushkaitis (1859-1903) had collected some 6,000 tales and Dr. A. Bielenstein, a German pastor, but a devoted Latvian philologist-archaeologist and historian, had collected more than 10,000 *Dainas* and about 1,000 riddles. The latter also wrote several works on the Latvian language, as well as on wooden buildings and utensils of the Latvians, which were published by the Academy of Sciences. Professor P. Schmits collected fairy tales, riddles, beliefs and customs, proverbs and sorcery formulas and published them in the *Etnografisko Rakstu Krajumus* (Collection of Folklore), issued by the Latvian Association of Riga.

Latvian historians, as for instance, J. Krügers-Krodzinieks (1851-1924) carried out research work in the archives, published

essays and translated foreign historical works. Many such essays appeared in the literary magazine *Austrums* (Dawn), which was published in Moscow, edited and financed by Prof. J. Velme (1855–1928), a Latvian who was lecturer at the Moscow University.

In the second half of the XIX century a Latvian middle class had already taken firm roots in Riga, which rapidly became also the Latvian spiritual capital. Thus a basis for a press and literary books appeared. The dream of Kronvalds, Valdemars and their non-numerous but enthusiastic collaborators to awaken Latvians to statehood had become a reality. A Latvian nation was in the making.

Latvian literature changed accordingly from romanticism to realism. A more critical attitude toward realities, a more cold-blooded and measured approach to problems were needed. A Latvian social life existed in the cities and Latvians were active in all walks of life. In the country a rural democracy began to take shape under the influence of Latvian schoolmasters and Latvian pastors. A Latvian intellectual class was well in evidence. More educated and experienced, this class opened ever broadening horizons, both social and political. Writers of fiction reproduced a picture of Latvian life, exposing its lights and shadows, and ridiculing its defects. The brothers M. and R. Kaudzitis (1848–1926 and 1839–1920) wrote their masterpiece *Mernieku laiki* (the Time of the Surveyors), showing the rise of the new Latvian farmers and the influence this phenomenon had upon the national life. Jēkabs Apsitis (1858–1929) wrote *Pie Pagasta Tiesas* (At the Rural Community's Court), sketching the first steps of Latvian rural magistrates.

The literary themes of the new rural life were inexhaustible.

J. Janshevsk's (1865–1931) wrote *Dzimtene* (Homeland), a real epic of life in the country. A. Niedra (1871–?) wrote *Liduma Dumos* (In the Smoke of the Forest Clearing) and *Zemnieka Dels* (Farmer's Son), both novels in the classical style. V. Eglits (1877–?), a former decadent turned realist, and produced the novel *Pelekais Barons* (The Grey Baron). The German squires ironically called the ascendant Latvian farmers after their home-spun grey clothes the "grey barons". These "grey barons" proved to be more cultural, intellectual and patriotic than the strange German "black barons", who used to sell out Latvia to foreign countries to preserve their privileges.

R. Blaumanis (1863–1908), the famous Latvian playwright, wrote his immortal *Indrani**, a sad but truthful drama of a farmer's family life. Thus realistic themes were brought to

* Name of a Latvian farm.

the Latvian stage. Anna Brigader (1861–1933) created the first classical play for children, the *Spriditis* (Tom Thumb).

The close of the XIX century saw the birth of almost every trend in Latvian literature. Riga, the capital, masterfully described by A. Deglavs (1862–1922) in his novel *Riga*, became the Parnassus of Latvian men of letters and artists.

There, too, appeared the powerful voice of such critics as J. Jansons (1871–1917), and J. Assars (1877–1908), who analyzed the value of the works produced by the “dwarfs” aspiring to Parnassus. Influenced mostly by German Marxism and by theories of economic materialism, these critics were bitter on the subject of lyricism, impressionism, eroticism, modernism, decadence, expressionism, etc., “flying in the clouds, oblivious of the state of the workers, the sole creative element of the nation”. They would have had literature become revolutionary and would have had politics predominate in drama and poetry. And, indeed, even such an olympic poet as J. Rainis (1865–1929) fell under the spell of these critics and produced several poems and plays politically tendentious. However, he soon returned to pure art and later wrote his classical drama *Jacob and His Sons* (translated into English).

We also owe to Rainis an excellent translation of Goethe's *Faust*, considered to be one of the best renditions of that work in a foreign language.

In opposition to the radical critics, a return to a normal, healthy literature was urged by the purely literary critic E. Pipins (1873–1927), who popularized the great works of world literature in Latvia and who also attempted to create a more discerning taste in the reading public. To the class of Pipins belongs the critic and historian of Latvian literature T. Zeiferts (1865–1929), whose especial merit was his discerning recognition of true literary talent.

Another fine critic was E. Freywalds (1891–1922), the editor of the Farmer Union's *Brīva Zeme*. The witty essayist J. Ezerins (1891–1924), who like Freywalds died young, must also be mentioned.

Although he had been a revolutionary in his younger years, under the sway of the ideas of Jansons, K. Skalbe (1879–1945) deserves to be mentioned among the classical writers. He is one of the finest stylists and his poems have all the depth and insight of the human soul. He has also written many delightful children's tales and he justly deserves to be considered as the Andersen of Latvia.

Other poets worthy of mention are J. Akuraters (1876–1937), Aspasia (the wife of Rainis), Fr. Barda (1880–1919), J. Poruks (1871–1911), and V. Pludons (1874–1939). They all excelled

in the lyrical style and their poems have been set to music by various composers.

Of the pleiad of Latvian authors (the Latvian Encyclopaedia in 1938 gives the names of no less than 255), the most brilliant, in addition to those mentioned already, is the unforgettable bard of the Latvian farmer, the refined poet E. Virza (1883–1939), who produced the classical novel *Straumēni*§, beautifully describing the four seasons on the farm. The work remains one of Latvia's greatest literary achievements and has been translated into German and French.

Students of Latvian literature are referred to the *Latviesu Konversācijas Vardnīca* (Latvian Encyclopaedia), Volume XI, Riga, 1938, and to T. Zeiferts' *Latviesu Rakstniecības Vesture* (History of Latvian Letters, 3 Vols., Riga, 1926–1934).

Since 1918 an index of Latvian literature and scientific publications—*Latvju Zinatne un Literatura* was published periodically by the Latvian State Library. It was compiled by the Assistant Librarians—A. Ginters and V. Caune, and fifteen volumes had appeared until 1939.

* * * * *

PUBLICATIONS IN 1937 *

Language	Books		
	Number	Pages	Copies
Latvian.....	1,151	185,927	3,079,489
German.....	78	8,978	83,485
English.....	23	2,764	57,650
Other.....	81	12,323	108,740
Total.....	1,333	206,992	3,329,364
In 1934.....	1,282	159,359	2,586,095
In 1932.....	797	97,275	1,781,850

Types of Books Published in the Latvian Language in 1937 †

Type	Number
Fiction, poems, essays, novels.....	427
Thereof translations.....	216
from English.....	78
Social Sciences.....	310
Textbooks.....	145
History & Geography.....	70
Religious.....	54
Arts.....	37
Exact Sciences.....	26
Philosophy.....	11
Philology.....	4
Other.....	67

§ Name of Latvian farm in Zemgale.

A. Maldups. *Latvija skaitļos* (Latvian Statistics), Riga, 1938, pp. 142–151.

† A. Maldups, op. cit.

Other Cultural Activities in 1937 ‡

Monthly publications.....	154
Daily newspapers.....	13
Weeklies.....	34
School-Libraries.....	1,911
Public Libraries.....	912
Theaters.....	14
Operas.....	2
Moving picture houses.....	94
Broadcasting stations.....	4

TRANSLATIONS AND REFERENCE LITERATURE IN ENGLISH

W. K. Matthews, who has already been mentioned as co-author of the Latvian-English Dictionary, a lecturer of English literature and language at the University of Riga and at the English Institute, has masterfully translated an anthology of Latvian poetry. His *Tricolour Sun* presents 125 poems by 68 Latvian poets, besides an essay by himself on Latvian poetry, and was published in London (Heffer & Sons) in 1936.

R. O. Urch, in his *Latvia, Country and People* (Allen & Unwin, London, 1938), devotes three chapters to Latvian language, literature and press, as well as to the music and art of Latvia.

The Sons of Jacob by J. Rainis was published in the translation of Grace Rhys by Dent & Sons, London. The latter also published a symposium of essays, translated by L. Marshall, under the title *The Builders of Rome*, written by J. Akuraters.

Several short stories of J. Ezerins, R. Zarins, A. Brigadere, P. Rozits, and A. Upits, translated by Miss M. Grosvald, were published in *Continental Short Stories*, by Messrs. Small, Maynard & Co., Boston, 1924-1926.

As previously mentioned, the American philologist U. Katzenellenbogen has successfully translated an anthology of Latvian and Lithuanian *Dainas* and has written a scientific essay on Latvian folksongs. The book was published in Chicago in 1935.

COPYRIGHT

In regard to copyrights, a special law was passed in conformity with the requirements of the Convention of Bern (Law on Copyrights of May 10, 1937. Collection of Laws, 1937, No. 84; in force since May 15, 1937).

The law states that the following are protected as works of literature, art and science: 1. Written literary and scientific works, among them letters, diaries and private notes; 2. Oral literary and scientific works such as lectures, referates, speeches, etc.; 3. Works of music; 4. Paintings, as also drawings, engrav-

‡ Ibid.

ings, lithographs, xylographs, etc. 5. Sculptures; 6. Works of architecture and their drawings, plans and sketches; 7. Products of the crafts and drawings thereof; 8. Creations of choreography 9. Products of film art; 10 Works of cartography, graphic or plastic of a scientific or technical character; 11. The translations and other adaptations of the above works. There are special regulations regarding the works of photography. The author has all the personal and property rights regarding his work within the limits of this law. Only the author has the right to 1. Translate and adapt; 2. Reproduce; 3. Multiply; 4. Distribute; 5. Produce or broadcast the above works. Also it is the exclusive right of the author to publish his work, to be recognized as the author and to forbid the alteration of his work. No registration is necessary for author's rights. If the author does not make use of his exclusive right to translate his work, it expires after ten years. Otherwise the author keeps his rights throughout his entire life, but his heirs for 50 years after his death. A person who transgresses the author's rights purposely or through negligence must reimburse the author for all losses sustained. The author can request that all the illegally published or reproduced copies as well as the tools made specially for such publication or reproduction be turned over to him or that they be destroyed. The right to sue for recovery of losses sustained expired in five years. The Latvian Criminal Code provides penalties for infringements of author's rights. This law applies to the works of Latvian citizens and to those works by foreigners which are produced or published in Latvia. In 1936 (effective May 15, 1937) Latvia joined the Bern convention.

SPELLING OF FAMILY NAMES

The Germanic or Polish spelling of some Latvian family names ending in "ing", "man", "berg", "son", "ski" and "witch", sometimes evoke confusion and misunderstanding. Until the eighteenth century the Latvians had names after the estate belonging to the family; for instance, if the property was called "Knistrauti" or "Ipiki", then any member of the family of the owner would use this family name, f. i., Alfreds of the Knistrauti, or Kārlis of the Ipiki.

If a son bought or inherited some other property, or acquired it by marriage, he would then adopt the name of his new landed property. In the same way the "iegatnis"—"the incomer"—husband of the sole daughter of the landowner would adopt the name of the inherited possession of his bride, i. e., the name of the bride, and become a real "son-in-law."

Since the eighteenth century a great many Latvian land-possessing families became landless and consequently nameless, for the German landed nobility often forcibly seized the

land of the Latvian hereditary landowners by devious processes. In the beginning of the nineteenth century all Latvian farms were appropriated by the few German landed nobles. On the other hand, with the development of industries, Latvians from the country began to flock to the cities. Men were also conscripted for the Russian army and left their homes. To bring this situation under control the Russian Government, for political as well as fiscal reasons, ordered everyone to have a passport, and to obtain one, one had to present a birth or marriage certificate from the local pastor. The local pastors, mostly of the German race, especially in Kurzeme, started to distribute birth and marriage certificates with an abundance of germanized family names. They would translate Latvian names into German as for instance "Kalejs" would become "Schmidt", or "Kalns"—"Berg," etc. A family name ending with "mants" (an old Latvian spelling) would be disfigured in the German sounding "mann", as for instance "Daugmants" to "Daugmann," "Bilmants" to "Bihlmann."

Thanks to Latvian zealous philologists these defigured names were latvianized, and thus Daugmann and Bihlmann were changed to Daugmanis and Bilmanis, simply by adding the Latvian ending "is", which designates a male person. For women the final syllable was "e" or "a".

In the same way in Polish Latgale during the Polish rule, Latvian names became polonized. Thus, the Latvian "Karklinsh" would become Karklinski, "Bangers" Bangerski, "Ozolins" Ossolinski, etc.

In modern times, Latvians were finally able to trace their original names through real estate registers, and many again changed their German and Polish sounding family names back to Latvian ones. This movement took place particularly in the nineteen-thirties, the period of Latvia's accentuated National Unity Movement.

The Latvians address one another with "Kungs"—Sir, and "Kundze"—Madam. "Kungs" originally meant master of landed property.

The salutation is "Sveiki" (Svake), and may be used also as "goodbye" and "good health".

PRESS

NEWSPAPERS

In 1938, 47 newspapers were published in Latvia. In Riga the capital, 5 morning dailies appeared: *Latvis* (the Latvian), *Pedeja Bredi* (At the Last Moment), *Latvijas Kareivis* (Latvian Warrior), the Yiddish *Frimorgn* and the Russian *Segodnya*; 5 appeared in the afternoon: *Valdibas Vestnesis* (Government Herald), *Jaunakas Zinas* (Latest News), *Briva Zeme* (Free Country), the Yiddish *Batog*, the Russian *Segodnya Vetcherom*, and the German *Rigasche Rundschau*. The latter ceased its publication in 1939 after the Germans repatriated from Latvia.

Beside the dailies there also appeared a number of weeklies.

Most of the Riga newspapers were illustrated and/or issued illustrated weekly supplements. The newspapers subsisted by subscription and by selling space for advertising.

Latvian newspapers were printed on Latvian-produced newsprint, and the biggest had their own printing offices. The price of a daily Riga newspaper was from 5 to 10 santimes or between 1 and 2 cents. The Riga dailies usually had a nationwide circulation and in some cases (the *Briva Zeme*) were distributed in the country by aeroplane. Also in larger provincial towns dailies appeared; in Liepaja, Jelgava, Ventspils, Daugavpils, Rezekne. In smaller towns only weeklies were published. Any town with a printing press as a rule also published a newspaper.

Foreign news was furnished by special correspondents abroad and/or by the Latvian autonomous Telegraph Agency *Leta*, which issued several times daily a news bulletin, with news from abroad and with official local news. The *Leta* had special agreements with foreign press agencies, also American. Also the wireless press was used in recent years to a great extent. The largest Latvian radio stations Riga and Madona broadcast news at regular intervals.

Latvian journalists were organized in a professional Society of Press, whose president of many years was T. Druva, chief editor of the *Briva Zeme*, organ of the Farmer Union. The National Chamber of Arts and Literature was the state-wide professional organization, to which also the Society of Press and its provincial sections belonged. Journalists benefited from regulated tariffs, wages, annual leaves with pay, socialized medicine, sickness fund and old age insurance. Premiums were distributed yearly for best written editorials. Fellowships for educational voyages abroad were also assigned.

MAGAZINES

Of the 154 magazines published in 1937 in Latvia, 35 were Latvian, 8 German (all of which ceased to appear in 1939), 5 Russian, one Livian, one Jewish, one English, and one Polish. 58 were of a social-political nature, 37 religious, 26 agricultural and vocational-technical, 16 literary, 13 educational and sportist, two of a general character, one historical, one geographical, one purely scientific, and several philatelic. One was devoted to the Esperanto language.

Of all these magazines only 19 appeared weekly, 14 bi-weekly, 80 monthly, 15 bimonthly, 15 quarterly, etc. There were 22 official publications, 2 municipal, 96 of different organizations, and 34 magazines were published by individuals. The State Funds for Fostering Culture largely subsidized magazines of an educational character.

Of the official publications the *Ekonomists* of the Ministry of Finance, which had a parallel English edition, should be mentioned. The *Ekonomists* presented competent articles and essays about Latvian economic life, finances, shipping, commerce and agriculture. Very expertly prepared was the *Izglītības Ministrijas Menesraksts*—the monthly of the Ministry of Education (with a parallel edition *Skola*). It was read mostly by school teachers, but was also liked by intellectuals, because of the literary section, book-notes and critics. The *Tieslietu Ministrijas Vestnesis*, the organ of the Ministry of Justice, was popular among lawyers and jurists and university professors of law, who published in it their essays. The book review was expertly conducted. Also the Ministries of Communication and Public Welfare had their periodical publications. There were also publications of a semi-official character, such as the different publications of the State Board of Statistics, of the National Chambers, the Stock Exchange, banks, municipalities, etc. The Latvian State University published the *Acta Universitatis Latviensis*; the Historical Institute—its quarterly magazine; the Agricultural Academy also published a magazine. Different scientific societies of the philologists, architects, physicians, also issued periodicals.

The Central Associations of Cooperatives and Agricultural Societies did their share in publishing monthlies. Practically all Latvian activities were covered by one or another periodical publication.

PRESS AND LAW

It ought to be stated that judicial persecution of press was a rarity; however, offended persons usually began processes and then compromised. The law compelled the paper to print

in the same place and of the same size the answer of an attacked person: that was effective. Riga as a rather large city had also the so-called "yellow press", which filled its pages with slander and gossip. One such weekly—the *Aizkulīses* (Behind the Screen) later appeared to be connected with the communists, who were interested in discrediting parliamentarism and society. Some papers in disguised form were communistic, others ultra-radical and chauvinistic. In 1934, with the establishment of the National Unity Government, these anomalies soon disappeared and the press regained its full integrity, and high moral and political standing.

During the years of the National Unity Government the press became more consolidated, the papers larger and with more editorials and more news from abroad. It was in general an improvement of quality. As before, the press was responsible for its acts only before law courts. Greater responsibility was established by publishers and editors. The atheistic propaganda was stopped and similarly press acts of sacrilege were declared punishable.

Public opinion was satisfied with these measures, because real freedom of press continued to exist, but not frivolity, libertinism and freedom of intrigues.

STATE PRINTING OFFICE

Latvian printing offices, especially the State Printing Office, which issued the illustrated historical-literary edition *Senatne un Maksla* (History and Art), were well equipped with excellent, well trained personnel; engravers, zincographers, and supervised by experienced specialists.

The State Printing Office also printed Latvian banknotes, stamps, shares of stock companies, etc. It also had a mint division for producing coins. The engraving department of the State Printing Office, which had produced Latvian banknotes, considered almost impossible to counterfeit, was widely known and obtained orders from abroad. Many an artist was engaged on the staff of the Latvian Printing Office.

The first Director and organizer of the Latvian State Printing Office, Prof. R. Zarinsh, was a well known Latvian graphist, illustrator and editor of a very popular satirical weekly *Svari* (Scales). He was succeeded by L. Liberts (b. 1895), also a well known artist, whose paintings are to be found in the Louvre in Paris, in Brussels, Stockholm, Venice, and other European galleries.

Beside the State Printing Office several private printing institutions also enjoyed good fame, such as: the "Rota", "Golts and Jurjans", "A. Kukurs", Valters & Rapa, etc.

SOURCES

The State Library issued periodically and annually bibliographical publications devoted specially to registering newspapers, magazines, contributors of most important articles, etc.

The *Valsts Adresu Kalendars* or Latvian State Directory annually published indexes of current magazines and newspapers.

J. Missins' *Latviesu Rakstniecības Radītājs*, published in Riga in 1929, furnished an index of Latvian literature from 1885–1910, including magazines and newspapers. In 1923 appeared A. Prande's *Latvju Rakstniecība Portrejas* (Sketches of Latvian Authors), which includes portraits of publicists, editors and reporters.

In 1931, A. Melnalksnis' *Vadonis* appeared, a more extensive index of Latvian modern authors and pressmen. In the same year O. Kroll's *Latvju Presse* appeared.

In 1931 A. Bilmanis' *Le Journalisme en Lettonie* appeared in the form of a handbook and guide for foreign newspapermen.

In 1934 A. Bilmanis' *Latviesu prese cīņa par Latvijas neatkarību* (The Latvian Press and the Struggle for Latvia's Independence) appeared.

The most recent source of the history of Latvian press and literature is the XIth volume of the *Latviesu Konversācijas Vardnīca*—the Latvian Encyclopaedia, published by A. Gulbis in Riga.

In 1937 the Latvian Historical Institute published documents concerning the political newspaper *Peterburgas Avīkses*, which in the eighteen-sixties appeared in St. Petersburg.

Monographs about the Latvian press have been written by M. Arons, O. Grosbergs, A. Goba, J. Ligoznis and Z. Unams. The latter also published a Latvian Biographical Dictionary *Es Vinu Pazistu* (Who's Who), where short biographies of Latvian pressmen are to be found.

A compilation of laws related to the Press was published in 1931 by K. Vilde (alias Vilnis), former chief of the Press Division of the Ministry of Interior, which issued licenses and supervised administratively the press and printing offices. The title of the volume is *Preses un Biedrību Likumi*—laws regulating the press and societies.

Professor A. Būmanis published a pamphlet regarding copyright laws in Latvia, entitled *Likums par autora tiesībām*.

Relations with the foreign press were maintained by the Press Section of the Ministry of Foreign Affairs. In 1930 the first International Baltic Press Congress convened in Riga. Press ententes with neighboring countries were established.

The year 1939 brought a turn in all life in Europe and also in Latvia. In June 1940, the Soviet Red army invaded Latvia and the other Baltic States after a short-termed ultimatum, thus effecting with the blessings of Hitler an unprovoked military aggression against its neighbors. Latvia was sovietized, and so was its press. In July 1941, German nazis appeared as invaders instead of the Bolsheviks. They proclaimed in the Baltic the "Ostland" satrapy. Only a subservient Latvian press was permitted. In Riga the *Tevija* (Fatherland) appeared and also one paper in Liepaja of a similar kind. However, Latvian patriots edited underground papers: the *Lāčplēsis* (The Bearslayer), *Brīvā Latvija* (Free Latvia) and *Tautas Balss* (The Voice of the People). Regardless of mass arrests, tortures and persecutions, the Germans did not succeed in finding out the editors and the place of their printing office (one of the papers was printed on stationery of the Riga municipality).

Thus the Latvian press continued the struggle for Latvia's independence and liberation. On October 13, 1944, the Bolsheviks reoccupied Riga and immediately reestablished the Soviet regime, with all its accessories. The Latvian Bolshevik *Cīņa* (Struggle) with a Russian parallel newspaper began to appear as the mouthpieces of Moscow. Where there are Latvian refugees, there appear Latvian papers, even though mimeographed. Such exiled Latvian newspapers are the weeklies: the *Londonas Avīze* in London, the *Latvju Zīnas*, *Latvju Vards* and the literary monthly *Daugava* in Stockholm, and the magazine *Latvju Domas* (The Latvian Mind) in Geneva. A great many of Latvian newspapers—mostly weeklies—began to appear in Latvian displaced person's Camps in Germany. The Latvian File of the Hoover Library on War, Revolution, and peace [chairman H. H. Fischer] is the depository of some of those newspapers.

SCIENCE AND SCIENTISTS

Latvian science and Latvian scientists have made their contributions to the progress of the world. The Riga Polytechnic Institute, founded in 1862, soon excelled in the departments of architecture, mechanics, chemistry, forestry, agriculture, marine engineering and economy. Many Latvian scientists and various specialists received their education there, among them R. Kalnings (b. 1873), former Minister of Finance, who placed Latvian currency on the gold standard in 1922; P. Stakle (b. 1881), chief consultant engineer for the Kegums Dam and Power station, built in the nineteen-thirties.

Also graduates of the Institute were:

E. Laube (b. 1880), the architect who built the very modern hotel at the health resort of Kemerī; P. Kundzins (b. 1880), builder of several churches and organizer of the open-air Museum of Architecture; A. Raisters (b. 1888), who erected numerous rural club houses and who was active in the reconstruction of devastated areas, after the first World War. The latter three became professors at the State University. Also many other former pupils of the Polytechnic Institute, active in their chosen professional pursuits, contributed to the rebuilding program that so conspicuously marked the entire period which followed the first World War in Latvia.

Numerous Latvian scientists and specialists received their training and degrees at the University of Dorpat (Tartu) and in Russian and German Universities.

After Latvia gained her independence, there was a general rush among these intellectual leaders to organize the country's State University and other higher educational institutions. They prepared textbooks, organized experimental stations, laboratories, etc.

In 1919 the Latvian State University replaced the former Polytechnic Institute, evacuated by the Russian government to Moscow and liquidated after the Bolshevik *coup d'état*. During its last years of existence, the "Riga Polytechnicum" had as its Director the eminent Dr. P. Walden, son of a Latvian farmer (b. 1863), the discoverer of the "Walden reaction" and of numerous processes for the synthetic production of various organic compositions. This distinguished Latvian scientist was elected member of the St. Petersburg Academy of Sciences, and is prominently mentioned in the Encyclopedia Britannica.

Although certain German and Russian circles expressed strong doubts at the time of its creation, the Latvian State University gave the most satisfactory results from its very

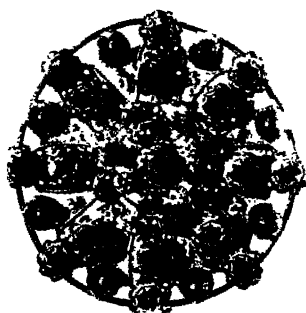
inception, owing to the presence of an adequate number and variety of Latvian scientists who formed the nucleus of the different faculties. The University opened its courses in 1919. Simultaneously, a law was promulgated, providing for the autonomous self-government of the University.

The most active Latvian scientists who have participated in the founding of the Latvian *Alma Mater* were: the philologist J. Endzelins (b. 1873), formerly of the University of Kharkov and author of an 840-page Scientific Latvian Grammar; the historian J. Krügers-Krodzinieks (1851-1924); the ethnographer P. Schmits (1869-1938), former Director of the Far-Eastern Institute for Oriental Languages and specialist in Chinese philology, as well as a prominent Latvian folklorist; E. Felsbergs (1866-1928), professor of the history of arts at the Dorpat University; the archaeologist Fr. Balodis (b. 1882), professor at the Moscow Archaeological Institute discoverer of the home settlement of the Golden Horde at the estuary of the Volga, and prominent in conducting excavations in Latvia; A. Tentelis (1876-1940) professor of history at the St. Petersburg University and the first Director of the Latvian Historical Institute; the economist K. Ballod (1864-1931), professor of the Berlin University, organizer of the rationing system in Germany during the first World War an author of more than fifty works; Prof. L. Kundzins (b. 1855), Director of the Dorpat Veterinary Institute, prominent anatomist and discoverer of the *Bos Primigenius* in Latvia; Prof. A. Kirchensteins (b. 1872), disciple of Prof. Roux and himself a renowned bacteriologist; Prof. M. Bimanis (b. 1864), President of the Latvian Power Committee, builder of Moscow's water supply system, specialist in civil engineering and sanitary technology; K. Rezevskis (1871-1939), engineer and professor of mechanics at the Technical Institute of St. Petersburg; the mathematician J. Vitols (b. 1877), later Director of the Latvian State Electric Factory; E. Zarins (b. 1876), professor of chemistry and pharmacology at the University of Dorpat; Dr. J. Ruberts (1874-1934), prominent ophthalmologist and professor at the Kiev University; Dr. J. Dzirne (b. 1861), surgeon and professor at the Dorpat University; Dr. P. Snikers (b. 1875), specialist in venereal diseases and professor at the St. Petersburg Academy of Military Medicine; Dr. R. Krimbergs (b. 1874), physiologist and hormone specialist, professor at the Kharkov University; J. Varsbergs (b. 1879) expert in meadow culture; P. Kreishmanis (b. 1885), mineralogist and geologist, first Director of the State Agricultural Academy. The foregoing, together with numerous others, were instrumental in educating and training the younger generations of Latvian scientists.

The concrete results of Latvian research work have been published in the *Acta Universitatis Latviensis*, the Annals of the Latvian State University, and in numerous monographs. There were more than 9,290 graduates from the State University during the years 1919–1939. Many famous foreign professors taught at the State University, among whom we may mention R. Vipper (b. 1859), the noted Russian historian, and J. Backman (b. 1883), the well known Swedish anthropologist. The overwhelming majority of the faculty, however, was composed of Latvians.*

Beside the University, the other highest scientific establishment in Latvia was the Latvian Historical Institute opened in 1936 with a purely scientific program. It was the foundation of the Latvian Academy of Sciences, or rather of one of its divisions. During its short existence the Historical Institute did important research work the results of which were published in the *Latvijas Vestures Instituta Zurnals* (a quarterly) and in special monographs. Very prominent was the publication *Les Sources de l'Histoire de Lettonie*, which appeared in 2 volumes. Volume I (1936) was devoted to the first Latvian political newspaper *Peterburgas Awihses* (1862–1865), the second volume—to sources of Latvian medieval history. In 1937, in Jelgava was opened the State Agricultural Academy to foster the sciences of agriculture and forestry. A more detailed report about achievement of Latvian scientists in different branches of science is published in the Latvian Encyclopaedia, Vol. XI. Riga, 1935, pp. 22397–22527.

* Sources: *E Vinu Pazistu* (Latvian Who's Who), Riga, 1939.



Popular Arts: Silver Clasps—"Sakta's"

ARTS

Latvian arts include popular and industrial arts, architecture, fine arts—painting, sculpture, etc., and music.

POPULAR ARTS

A variety of materials, found in the country, have been used in popular handicraft arts from time immemorial—amber for beads and brooches, wool for various articles of clothing, flax for household and wearing linen, clay for pottery, bark for various containers, and lumber, in general, for a vast variety of purposes, from house-building to everyday utensils. Ornamentation prevails, the dominant motifs being the sun, the stars, snowflakes, stylized trees (fir), plants (fern), flowers (daisy), animals (rooster, horsehead, snake, etc.).

The swastika, the *ugunskrusts* (fire cross), one of the oldest Latvian symbols of technical civilization (for producing fire) is also widely used. Usually the designs are geometric, because of wood carving particularly favored by Latvians. Wood carving and metal work, while of high artistic quality, are adapted for practical purposes with great ingenuity. Thus, ornamental brooches made from imported bronze and silver and gold coins in pre-medieval times served as fastenings for women's garments, while ornamental men's bracelets (mostly of bronze) provided protection for the warriors' hands in battle.

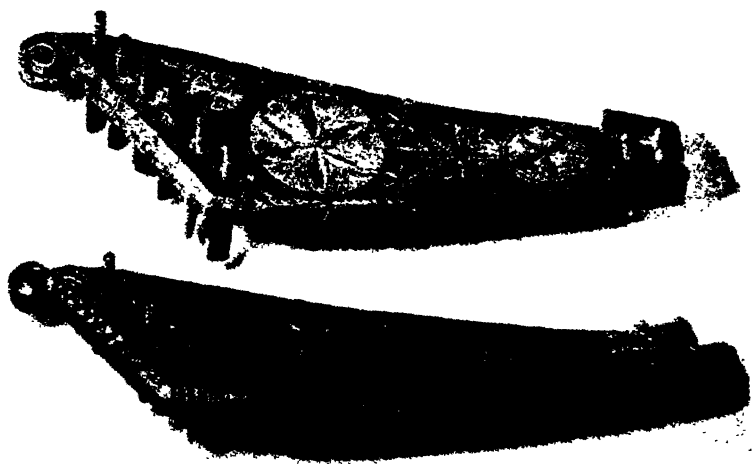
Products of Latvian popular arts reveal an innate taste and true artistic instinct; the designs and color schemes, carried out in natural dyes, are evidence of creative ability and inventiveness. The general effect is pleasing to the eye.

Farmhouse furniture is strictly functional—benches are rugged; tables are wide and supported with sturdy, well-balanced and straddling legs; chairs, usually rush-bottomed, match the style of the tables; shelves and cupboards, either painted or carved, have the elegance of well adapted simplicity.

The furniture, as a rule, is skilfully joined, without use of nails, screws or glue, and so are the traditional log cabins. Household fabrics, rugs, spreads, etc., are beautifully woven and by their warm color schemes impart a comfortable, home-like atmosphere.

Women's clothes—blouses, skirts, ribbons, tunics, mittens and head-dresses—used to be embellished with rich embroidery and metal threads. The dowry-chest was the object of particular attention for its intricate ornamentation.

The national women's costume consists of a tunic, the *sagsha* (in Latin *segum*), worn over one shoulder, a crown-like head-



Pair of Ancient Harps—"Kokle's"

dress richly dotted with pearls and precious stones, an embroidered linen blouse and a homespun skirt. The predominant colors are red, blue and black; green and yellow are used less frequently. Large silver brooches, *saktas*, and strings of amber beads complete and enrich the costume. The men's costume is a black pilgrim's hat and a grey long-coat of homespun cloth.

Many old country homes have artistically carved doors, window-frames and porches. In recent times, a revival of popular arts and crafts was in progress, particularly in the weaving of native costumes, in metal-work, household fabrics, and wood-carving. The modern industrial arts turned for inspiration to the ancient traditional patterns, striving for individualistic expression that had long lain dormant in old homes throughout the countryside. Old furniture, pewter, glass and ceramics rapidly became collectors' items and were reproduced by modern industries for an ever-increasing market. The lost art of marquetry and veneering was revived very successfully. Modern artists turned to the past for inspiration. Thus J. Drande (1853-1915) reproduced rare ornamented stylish peasant plates, Ansis Cirulis (b. 1883) built after old patterns the inlaid furniture for the reception room of the State President's castle, while J. Madernieks (b. 1870) revived the art of weaving rugs.

Of great importance was the publishing of illustrated magazines, like the *Saule*, dedicated to the revival of Popular Arts. This magazine was edited by E. Paegle (b. 1876) and his wife

Alma Paegle (b. 1877), both well known Latvian ethnographers. In the thirties of the twentieth century the illustrated Quarterly *Senatne un Maksla* (Antiquity and Art) appeared, one of the most competent scientific editions around which concentrated all creative forces active in the revival of Latvian Popular Arts.

A great number and variety of objects of popular arts and crafts as well as the most successful patterns evolved by the modern industrial arts have found their way in the museums of Riga, there to be preserved—a source of pride and artistic inspiration—for the coming generations of Latvians.

INDUSTRIAL ARTS.

The above mentioned revival of Latvian popular decorative arts and the application of them to artisan work by cabinet makers, book-binders, jewelers, weavers, etc., and even in factories (producing rayon, chinaware, candy packages, bottles, etc.), opened also broad prospects of experience for respective artists, designers and graphists, who prepared the patterns and ornaments, engraved banknotes, bonds, etc. An especial ceramic department was opened at the Academy of Arts in Riga by Professor R. Pelshe (b. 1880), a notable ceramist, who had organized home arts in Ukraine with great success. It was a veritable revelation of the possibilities of Latvian red, white and blue clays, not only in brick- and tile-making, but in the widest artistic fields. R. Suta (b. 1896) one of Latvia's most talented young painters and art critics, organized the *Baltars* (Baltic Arts) studios for the production of artistic china and porcelain, which proved so successful that the large porcelain and ceramic manufacturers of Riga (Kuznecovs, Celms, Boehms and Jessens) likewise began to produce artistic tiles for stoves, china, tableware, figurines, etc., on a large scale.

Technical institutes opened special courses for decorative arts. The art of design became again popular and thus many a possibility opened for professional decorators, designers, and artists.

Also plays and operas needed decorations, costumes, etc., and this presented great opportunities to Latvian artists. The Latvian Academy of Arts (evolved from the ancient Riga School of Painting), whose Director was the famous Latvian artist V. Purvits (b. 1872), had a regular contingent of over 200 art students yearly.

An index of Latvian designs—*Latvju Raksti* (Ornément Letton)—has been collected and published in colors by the well known Latvian graphist, illustrator and engraver, the already mentioned Director of the State Printing Office, Richard Zarinsh (1869–1939). It was his lifework and consisted of more than 10,000 drawings, water colors, paintings,



Typical Country House

photographs—all documented. It was issued in 56 portfolios with Latvian-French text. Among the main categories, in which material has been faithfully rendered, are textiles, ceramics, woodworks (carving), furniture, plaster, amber, silver, and other metal work and even structures and other phases of characteristic design and craftsmanship. The collection was largely used in industrial arts—also abroad. A copy of the *Latvju Raksti* is to be found in the Library of Congress and in the Library of the National Geographic Society. Last but not least the Latvian Ethnographic Museum in the Castle of Riga should be mentioned with its outstanding collections of textiles, skilfully supervised by the ethnographer M. Silins (b. 1861).

ARCHITECTURE

The artistic architectural legacy of the past consist mainly of churches, old farm-houses, mills, bridges, and roadside taverns of the eighteenth century and earlier.¹ The ancient castles are mostly in ruins. In building, too, a peculiarly Latvian style is to be observed. The old farmhouses were mostly of wood, covered with straw or with wooden shingles.

A scientific treatise on Latvian wood architecture and wooden utensils, magnificently illustrated, has been written in German by Dr. A. Bielenstein.² This work was found of such import-

¹ *Latvijas Arhitektūra*. A monthly published by the Society of Latvian Architects in Riga, illustrated.

² Dr. A. Bielenstein. *Die Holzbauten und Holzgeräts der Letten*, Vol. I, II, St. Petersburg, 1907.



Latvian Minstrels in National Costumes

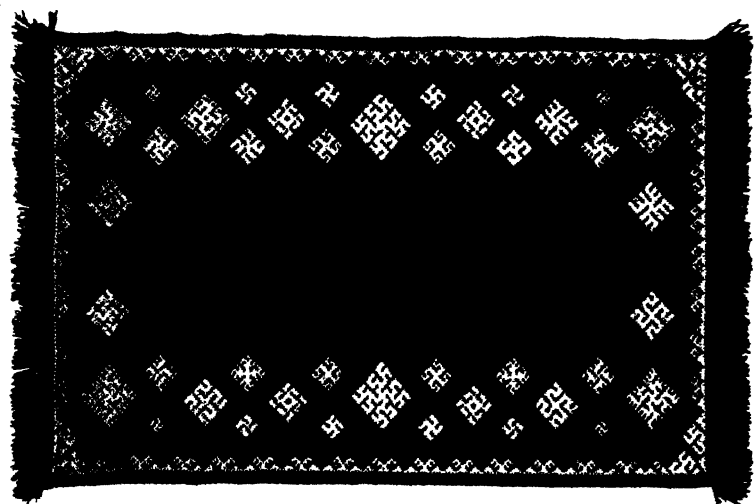
ance that the Academy of Sciences of St. Petersburg in 1907 published it under its imprint. It is a unique work of research in this department and its interest far outstrips its purely local subject. It proves beyond doubt the highly artistic and technical talent of the Latvians, and Dr. Bielenstein himself does not hesitate to place Latvian popular arts above those of the Germans themselves. The most intricate wooden door-keys were made by simple Latvian peasants, the most beautiful designs were carved in wood and many an invention of the most practical nature—such as, for instance, a wooden cauldron for boiling water by means of red-hot stones—are but a few of the many examples illustrated in Dr. Bielenstein's book.

There used to be a saying to the effect that a Latvian rides to the woods on horseback and drives back in a cart filled with carved wooden utensils. Woodwork is, indeed, an inherited national art of the Latvians.

Professor B. Vipper, the son of the noted historian, published in English a richly illustrated book on the Baroque art of Latvia (in 1936), in which he revealed some remarkably artistic carvings from church altars, crosses, pews, pulpits, etc. This book is to be found at the Library of Congress and the Frick Art Reference Library in New York.

The open-air museum near Riga preserved old buildings, churches, mills, barns and farm-houses, transported bodily from their original sites; and these are fully furnished with the most astounding variety of furniture and utensils.

Country markets and fairs, until very recently, used to abound in wooden and ceramic objects of the highest artistic



Reproduction of Twelfth Century Wool Shawl:
Color Blue, Fringes Brown, Embroidery—Bronze.
Original Excavated in Stameriene-Vidzeme

value, in addition to various products of the Latvian housewife's loom and embroidering-frame.

Many outstanding examples of landscape gardening are to be found in Latvia, such as the garden of the Rundale Castle *), the Voerman Park in Riga †), the Park of the Riga Officers' Club, the Riga Victory Park, and the Avenue along the Daugava bank before the Castle of Riga. On the site of the ancient city ramparts of Riga, there extend nowadays (along the old city moat) some of the most beautiful avenues, trimmed with flowerbeds, that would be the boast of any city. The city of Riga, in general, is remarkable for its avenues bordered and shaded with lindens and for its many squares and public gardens.

Riga has been greatly improved and embellished by the Latvian architects of modern times, among whom we will only mention the following: J. Baumanis (1834–1891), who constructed more than 50 modern buildings, including the University, the Court of Appeals, and the Conservatory; and his pupils: A. Morbergs (1844–1928), K. Pekshens (1859–1928), and E. Laube (b. 1880). The latter rebuilt the House of the Saeima, burned down by a fanatical communist during the visit of the President of Finland, in 1926.

Almost miraculously most of the modern buildings erected during the period of the Government of National Unity (1934–1940) in Riga were spared destruction during the war. They

* Built by Rastrelli.

† A donation to the Riga municipality by a generous citizen, Mrs. Voerman.

remain as examples of modern Latvian architecture and among them we may mention the new War Museum, the Ministry of Finance, the Palace of Justice and the Social Club as outstanding monuments.

Latvian architects, following the popular demand, were specially interested in building one-family houses. State and municipal buildings were built not only for business purposes, but also with an artistic exterior in mind. The same applied to railway stations. (The fact that Latvian railway stations are surrounded by flower beds is due to a woman architect who designed most of these stations.) Scientific societies, like the Society of Architects and Engineers, influenced a certain trend for stylish building in the countryside also.

PAINTING

The earliest beginnings of Latvian painting survive in churches, in the form of frescoes and altar-paintings. The Russian chronicles of the monk Nestor mention in the year 1270 the name of a Latvian miniaturist, Jurgis, born in Jersika, the old capital of Latgale, who illustrated the Slavonic Bible and who might well have been but one among several unrecorded Latvian painters. It must be remembered that the numerous wars waged on Latvian territory caused the wholesale destruction not only of houses and churches but also of entire cities and castles; hence extremely few Latvian paintings have been preserved. Of those surviving, there are several examples dating from the end of the eighteenth and the beginning of the nineteenth centuries.

One of the first great Latvian painters of modern times was K. Huhn (1831-1877) who was elected member and professor of the St. Petersburg Academy of Arts.¹ His painting entitled "On the Eve of St. Bartholomew" is universally considered to be perfect in color, style and design. Other well known paintings by Huhn include his "Interior of a cabinetmaker's shop", "Sleeping Women", "Pastorale", "Head of Knight with Helmet". His many miniatures are almost perfect (old Rabbi, etc.).

Rivalling Huhn was J. Feders (1838-1909), likewise a member and professor of the St. Petersburg Academy of Arts.

The third great Latvian painter is the academician V. Purvits (1872-1945), who has produced Latvian landscapes of early spring, showing the blue shadows of the melting snows and rays of sunsets on birch-trees that will assuredly survive as classics. He was Director of the Riga Art School, later trans-

¹ J. Dombrovskis. *Latvju Maksla*—Latvian Art—published by Valters and Rapa, Riga, 1925, richly illustrated.

R. Suta, *Sechzig Jahre Lettischer Kunst*, Pandora Verlag, Leipzig, 1928, Illustrated.

formed into the Academy of Arts, of which he also became the first Director.

The best Latvian portraitists are Professor J. Tilbergs, (b. 1880) and J. Rozentals (1886–1916), a pupil of the Swedish master Anders Zorn. J. Rozentals has produced many remarkable portraits and masterpieces of art, among them "The Princess and the Monkey", "The Mother and Child", and others. The professor of the Riga Academy G. Elias (b. 1887), a pupil of the Academy of Bruxelles, is famous for his landscapes of Zemgale and still life.

Two of the most promising painters of the younger generation, J. Grosvalds (1891–1920) and J. Kazaks (1895–1920), died young in the course of the same year. More recently, a large number of young painters have appeared, the most gifted and promising being J. Cielavs (b. 1890), V. Tone (b. 1892), N. Strunke (b. 1894), L. Liberts (b. 1895), R. Suta (b. 1896), T. Tidemanis (b. 1897). The most talented draughtsman and illustrator is Z. Vidbergs (b. 1890). The most promising Xylographer is O. Abelite (b. 1909).

Several Latvian authors such as J. Jaunsudrabins (b. 1877) and V. Eglits (b. 1877), were at the same time also renowned painters and illustrators of their own books. On the other hand the painters J. Silins (b. 1896) and Z. Vidbergs were editors; others were producers (J. Muncis).

SCULPTURE

Outstanding among Latvian sculptors are B. Dzenis (b. 1879), and T. Zalkalns (b. 1876), both pupils of the famous Rodin. They used marble, bronze and clay as mediums of expression and both produced some commemorative bronze medals.

K. Zale (1888–1939) has left us the War-Heroes Memorial Cemetery—the most notable in Europe after that of the Genoa Campo Santo—and the Monument of Liberty, both in Riga.

POPULARIZATION OF ARTS

Many Latvian artists, combining art with practical ends became professors of design in high schools, turned to printing shops, factories (especially silk-producing), poster designing, book binding, etc. Their contribution to the general introduction of high aesthetic standards into the many aspects of everyday life, cumulative in its manifold effects, must receive at least a collective acknowledgment here, since a detailed survey would entail a separate study.

The question arises, how could all these artists live? There were different possibilities: they worked as illustrators (f. i.,

Alexander Apsits, the illustrator of L. Tolstoy's "War and Peace," published by J. Sytin in Moscow), as decorators, in porcelain factories, as school teachers, one was even a judge, another a university professor, a third was a producer, several worked in printing offices, lithographic institutes, advised bookbinders, and they were not afraid to become photographers or simple toilers. Several textile factories, as for instance the "Rigas Audums" (Riga Textile), employed many pupils of the Academy of Arts as colorists.

The Academy of Arts having in mind realities of life, beside the already mentioned ceramic department, also had a department for engraving, metal casting, gypsum casting, etc. Practical training was given in various fields, which could be applied to everyday life.

Many exhibitions popularized arts; schools had their small museums and country club houses adorned their walls with paintings. Portrait painting was popular in Latvia, and, in view of the reasonable prices, accessible to persons of all classes. Besides, the State and Municipal museums made their choice from the exhibitions, and the *Kulturas Fonds* (State Fund for Fostering Culture) was a good purchaser not only of books for school libraries, but also of paintings to decorate the primary and secondary State schools.

Music

Latvian music has a distinctive style of its own—melancholic and sentimental. It began to develop simultaneously with the national awakening, toward the middle of the nineteenth century; it could progress rapidly owing to the rich musical background of the people. The Latvians, very musical by nature, have a great heritage of folk-music and dances, as well as a diversity of musical instruments and a penchant for group singing and large singing festivals, which include up to 20,000 singers.

Under the combined regime of German squierarchy and Russian gendarmerie of the nineteenth century, these singing festivals proved the sole means of expressing national solidarity. The cultivation of singing, the collection of popular songs and tunes, the formation of choirs, and even the appearance of composers and orchestra leaders was greatly encouraged by these festivals.

Well known Latvian song-writers are: E. Vigners (1850–1933); A. Ore (1855–1927); A. Kalnins (b. 1879); E. Darzins (1875–1911), whose Melancholy Waltz remains a success to this day; E. Melngailis (b. 1874).

Many Latvian musicians studied at the St. Petersburg Conservatory, where a Latvian professor J. Vitols (b. 1863) taught

theory of music and composition since 1886, and was himself a distinguished composer of piano, violin and chamber music. His "Precious Gems," "The Waves," etc., are well known in international musical circles.

In 1919 he founded the Latvian Conservatory and was its first Director. Under his guidance a pleiad of young Latvian composers, conductors, singers, and virtuosi quickly emerged.

Operas were composed by J. Medins (b. 1890): "Fire and Night" (the *Lāčplēsis* drama). "Gods and Men" (from ancient Egypt), and *Spriditis* (Tom Thumb—a Latvian fairy tale); and by A. Kalnins: (b. 1879): "Banuta" (Lithuanian epos), *Salinieki* (the Islanders). The latter's son wrote the musical drama "Hamlet", and a Latvian ballet "Staburags". The son of the renowned composer Emils Darzins, young Wolfgang Darzins, also became a promising composer.

The Conservatory also trained numerous music teachers, leaders of military bands, and conductors of symphonic orchestras. Riga and Liepaja had their own opera companies, and there were four broadcasting stations in operation, all providing excellent opportunities for Latvian musicians. Every schoolteacher in the country was required to know at least how to play the piano, the harmonium or the violin; the same applied to country pastors and sacristans. Music was considered an essential part of education and the State subsidized the Opera, which gave special cycles of the most popular works for school children. Singing and dancing go together, and ballet was always liked in Latvia, just as the theatre, and ballet was very often added to a play as an interlude.

In the eighteenth century there was an Italian opera with a ballet in the Ducal Mitau. Ballet art was cultivated also in modern times, and as a result Latvia had a classical ballet second only to the Russian.¹ The Latvian ballet company gave performances in Stockholm, Brussels, Vienna, Warsaw, Paris, etc. Schools and studios for rhythmical gymnastics were popular in Latvia. Particular mention should be made of the studio of Beatrice Vigner (b. 1903), and Anna Ashman (b. 1888).

Beside standing Lyric Operas in Riga and Liepaja, Latvia had radio symphonic orchestras, and a number of military and private bands and orchestras.

Latvian music was published by P. Neldners and J. H. Cimmermans—both in Riga. Latvian records were manufactured in Riga and by His Master's Voice in England.

¹ G. Brants. *The Latvian Ballet*, Riga, 1937.

THE CHURCH

Religion in independent Latvia is separated from the State, and the predominating freedom of conscience in Latvia is favorable for religious life. The respective law of December 13, 1934 (Collection of Laws, 1934, No. 303), recognized full freedom of religion. Any group of 50 persons of Latvian citizenship is entitled to register a religious denomination or congregation of their own choice. Ten of such denominational groups are sufficient to form a national religious association. The self-governing religious bodies are granted public rights: to perform marriage ceremonies (among its members), baptism, to levy voluntary taxes, establish churches, tabernacles and cemeteries, as well as schools, to own buildings, to run their own press, etc. In short, they are recognized corporations of public importance. The elected representatives of the parishes of the various denominations together with the pastors of the parishes form a Synod, which is the highest authority for the respective denomination.

Administratively, religious affairs are concentrated in the Department of Confessions, within the Ministry of Interior, which supervises the application and fulfillment of the legal dispositions, and acts as arbiter in material affairs between confessions. The Department is aided and advised by a Council consisting of representatives of all registered religious denominations in Latvia.

Denominational schools, like the Catholic secondary school at Aglona and the Evangelical Lutheran secondary school at Riga, are subject to the Ministry of Education. The Catholic and Evangelical Lutheran Theological faculties are autonomous like the State University itself. The Greek-Orthodox creed has a seminary; also the Baptists have a seminary to prepare preachers.

Such were the general rules applied to all religious denominations, including the Hebrew. No single religion was especially privileged or protected. The Latvian citizens' own free will was the only guide in his joining one or another of the existing religions; religious education was free, as were publications, periodicals and the right of association in general.

It should be noted here that up to the entry into effect of the Law of December 13, 1934, concerning religious communities and associations, the activities of the latter insofar as they were not provided for by a special law—were founded upon and regulated by the general law on societies, associations and organizations of a political nature (Collection of Laws for 1923, No. 87).



Dome of St. Mary in Riga

In 1938 there were officially registered in Latvia the following religious denominations: the Evangelical Lutheran, to which belonged 56.15% of the population; the Roman Catholic—24.45%; the Greek-Orthodox 8.94%; the Old-believers 5.50%; Hebrew—4.79%. The other religious denominations representing together, however, only less than 1 percent of the population were: the Baptist, the Seventh Day Adventist, the Moravian Brethren, the Anglican, the Reformist-Calvinist, and the Episcopal-Methodist. The Mohammedans had a mosque in Daugavpils. Of the Latvians themselves, who formed 77% of the population in 1935, 69.38% were Evangelical Lutherans, 26.36% Roman Catholics, 3.91% Greek-Orthodox, 0.19% Old-Believers, and 0.16% others.

Since the Latvian Criminal Code of 1933 defends all private individuals against any interference, it is still more concerned with the protection of religious sentiments of the community (art. 300-305). Hence the code considers as punishable open acts of blasphemy or defamation against the religious sentiments of a legally established community of faith. The code punishes deliberate hinderance of religious services or ceremonies, as well as deliberate attempts to do so, also noisy interruption or similar disorderly conduct at religious ceremonies or services. Article 303 provides penalties for persons who might officiate at the rites of a cult, without having been qualified to do so. Article 304 forbids political propaganda in churches by members of the clergy or others, while article 305 punishes the profanation of graves, ashes or corpses; also attempts to commit these offenses are punished by the provisions, terms of imprisonment being prescribed for such offenses. Article 533 provides punishment for destruction of a church or similar religious establishment by burning or flooding, etc.

HISTORICAL BACKGROUND

The statistical picture of religious distribution in Latvia looks rather like a mosaic, but actually, when one takes into consideration the Latvian majority population as the basic population of Latvia, one sees that 95.74% belong to the Occidental Roman Catholic and Evangelical Lutheran creeds, and only 3.91% to the Eastern Greek-Orthodox. The different sects succeeded in attracting only 0.35% of all Latvians. These facts prove that the Latvian people belong to the Western Occidental culture.

However, initially the Greek-Orthodox creed had even better chances than the Roman Catholic and Evangelical Lutheran, as the Latvians live territorially close to the Slavs, and thus

the Greek-Orthodox proselytizing could proceed much easier. The Slavs began their proselytizing in the XI century (they themselves were baptized only at the end of the X century) simultaneously with the Roman Catholic missionaries who appeared in old Latvia also in the XI century.

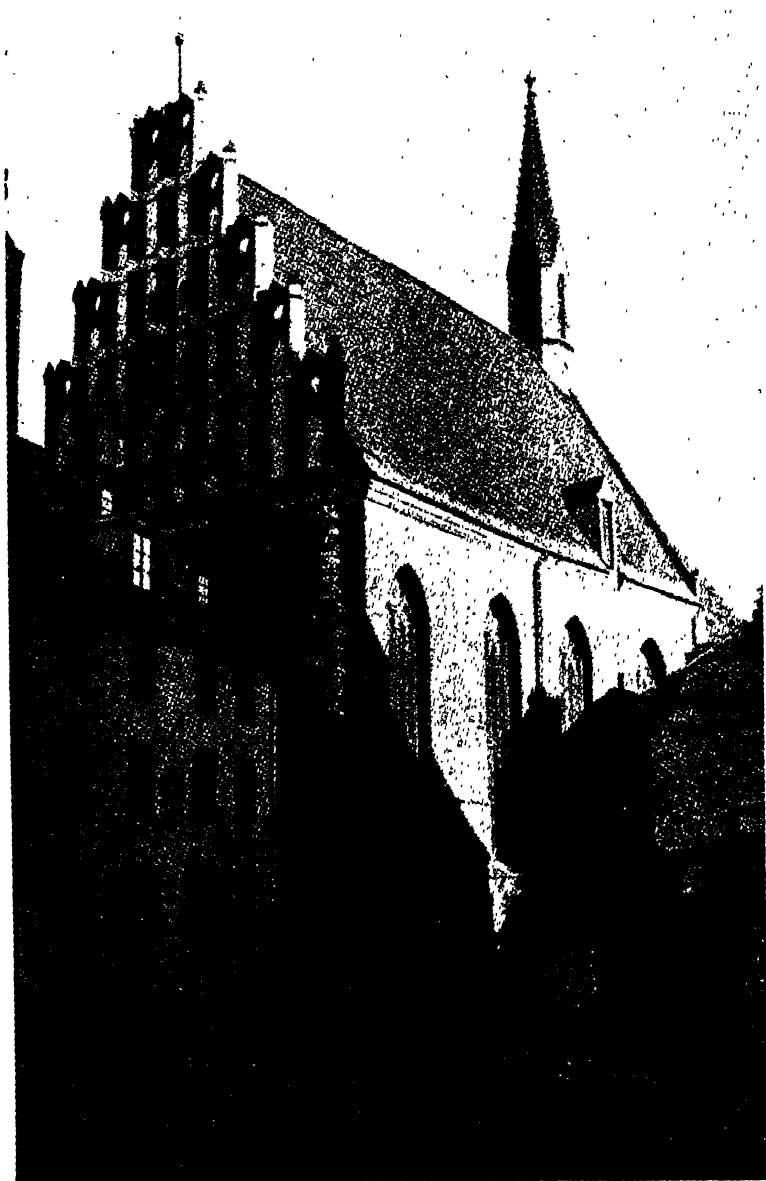
As already mentioned, a Roman Catholic Church in 1048 was built in Kurzeme by a Danish trader with the help of the Danish King Swein. More activity was shown by Roman Catholic missionaries in the XII century, when a Livonian Bishopric was established at the Latvian Baltic outlet. At the same time in northeastern Latvia the Greek-Orthodox creed had made adepts even among the Latvian ruling families.

However, when both movements met, the stronger and more successful appeared to be the Roman Catholic. The chronicler Henricus de Lettis testifies that the Latvian tribal kings Vissevald of Lettia and Tālivald of Tholova were easily converted to Roman Catholicism. Neither the tribal kings of Zemgale, Kurzeme nor Selija opposed the Roman Catholic mission. There was no need for fire and sword which the German knights used for political domination under the disguise of baptizing.

In the same way Lithuania also freely accepted Roman Catholicism, and so did the White Ruthenians. Thus in the XIV century the frontiers of the Roman Catholic world ended where the present frontiers of the Baltic States and Russia run: from the Finnish Gulf along the Narva river, Lake Peipus and down along the ethnographic border of Latvia to the Pripet and Dnepr. This border of Roman Catholicism and Greek-Orthodoxy exists even today. And still today the inhabitants of Latgale, who were converted to Roman Catholicism in the beginning of the XIII century, are devoted Roman Catholics, as are the Lithuanians. In the XVI century the western parts of Vidzeme and Kurzeme were converted from Roman Catholicism to Lutheranism.

The city of Riga simultaneously with other Hanseatic cities turned Lutheran in 1522, while the Master of the Livonian Order acceded to the Augsburg decision of tolerance only in 1555. In 1562 Vidzeme came under tolerant Polish-Lithuanian domination, which did not interfere with Lutheranism. Kurzeme and Zemgale became the patrimony of the secularized Master of the Livonian Order, Gothard Kettler, who introduced Lutheranism throughout his Duchy.

It should be stated that actually the ruling class decided then about the religion of the population: thus the Latvian people had to accept willy-nilly what was decreed for them. Still, in Vidzeme, Zemgale and Kurzeme, beside Evangelical Lutherans, Roman Catholics also were to be found. This status was preserved till modern times.



St. John's—Oldest Latvian Parish Church in Riga



Left: St. Gertrude's Church in Riga, built in 1906 by Popular Latvian Subscription.

Right: Monument in War Veterans Cemetery. Sculptor K. Zale

During the XVII century a religious-didactic literature appeared, thanks to the efforts of both the Evangelical Lutheran and Roman Catholic clergy. Parish and normal schools were opened. The Latvian language in this way was preserved and education promoted. One of the typical qualities of the Latvians is hunger for education and stubbornness in achieving their aim.

The role of the Roman Catholic and Evangelical Lutheran clergy in the Latvian national awakening is enormous. At the same time the Parish undoubtedly was an important school for self rule of the population.

THE EVANGELICAL LUTHERAN CHURCH IN INDEPENDENT LATVIA

The Synod of the Latvian Evangelical Lutheran Church, composed of representatives and pastors of all parishes, elected its own Bishop in 1920, in the person of K. Irbe (1861-1934), a Latvian, who was duly consecrated in 1922 by the Swedish Archbishop N. Soderblom. He resigned in 1931 and his successor Professor T. Grinbergs (b. 1876) was elevated to the rank of Archbishop by decision of the Synod in 1933.

The first task of the Latvian Bishop was to repair the churches destroyed during the war, to increase the number of pastors, to

open a seminary, a denominational high school, to foster publications, and religious morale.

The first World War and the Bolshevik persecutions during the first occupation of Latvia (December 1918–May 1919) had sadly decreased the personnel of the clergy, many of whom were killed, exiled, imprisoned, or had fled. Of ninety-three Evangelical Lutheran pastors in Vidzeme (Livonia), only fifty-six remained in 1920; of 103 in Kurzeme, only fifty-four. Hundreds of churches and parish and school houses were destroyed. In contrast to 194 Latvian and twenty German-Balt parishes in existence in 1920, there were 262 Latvian and forty-nine German parishes by 1934. In 1935 the total number of Evangelical Lutherans in Latvia was 1,094,787, or 56.13% of the population, of which those of Latvian origin constituted 93.45%.

The Evangelical Lutheran Church is autonomous in Latvia, and its organization is democratic. The parish council elects the board, and the district synods are composed of the representatives of the provost boards and the provost.

The Synod, the highest organ, is composed of all pastors and of one representative of every parish. It elects the Central Board and the Archbishop. Actually the Latvian Evangelical Lutheran Church is an Episcopal-Synodical church.

GERMAN LUTHERANS—SEPARATISTS

Of all Protestants in independent Latvia, the German Evangelical Lutherans numbered 61,047, in which number are included 3,518 citizens of Germany, who came to Latvia since 1920 to make a living there. Thus actually there were only 57,529 German Evangelical Lutherans with Latvian citizenship. The Evangelical Lutherans of Latvian origin were in the more than absolute majority.

However, the German Evangelical Lutherans preferred to establish a separate German Evangelical Lutheran church organization, constituting their own Synod, electing their own Bishop, and establishing their own Theological Faculty at the German Herder Institute in Riga. They made great efforts to maintain their own parishes, no matter how small numerically, and tried hard to continue to hold on to the largest Lutheran churches in the capital, reluctantly sharing these churches with the Latvians by establishing an elaborate schedule of services; for instance, the Latvian services were permitted early in the morning, from 7 to 9, or in the day time, only after the German services.

There were 220,000 Latvian-speaking Evangelical Lutherans in Riga (of a population of 385,000), as compared with some 35,000 German speaking Evangelical Lutherans, yet the latter



Prayer House of Moravian Brethren of Eighteenth Century

kept the biggest cathedrals of St. Mary and St. Peter for their exclusive use. For this reason, as early as the beginning of the present century, the Latvians had been obliged to build the church of St. Gertrude by popular subscription.

In independent Latvia this church situation became intolerable, and in 1931, after an unsuccessful referendum, a law was passed by the government making the Dome of St. Mary in Riga, Latvian, for the use of the Latvian majority. At the same time the Cathedral of St. Peter in Riga was made the Cathedral of the Garrison of Riga, composed predominantly of Latvian Evangelical Lutheran soldiers. However, the German speaking parishes of these churches preserved the right to continue to use them by agreement with the Latvian parishes. But the Germans would not avail themselves of this opportunity. Combined protests from the Germans culminated in ostentatious open air services in the German cemetery. Even intervention from abroad was tried, and this "Kulturkampf" only ended when the Baltic Germans obeyed the call of Hitler and abandoned the entire region in 1939-1940.

CATHOLIC ARCHDIOCESE REESTABLISHED

Religion being free in Latvia, the Roman Catholic Church was reinstated to full rights in independent Latvia. However, the Concordat signed in 1922 with the Holy See stipulated that only prelates of Latvian origin should be appointed Archbishop and Bishops. The historic church of St. Jacob in Riga was



**Roman Catholic Church in Aglona, Latgale, Shrine of Miraculous
Image of Holy Virgin: Sancta Maria Lacrymosa**

dedicated as the Catholic Cathedral and the Church of Maria-Magdalena as the chapel of the Archbishop. Monastic orders and religious associations also were reestablished; the Catholic faith was once more taught in schools; Catholic seminaries and high schools were opened; Catholic chaplains were appointed to the army; the Catholic press and publications appeared unrestricted; a Catholic party gained representation in Parliament. In Latvia in 1928 there were 146 Roman Catholic parishes, twelve Decanates, 130 churches and ten chapels of the Catholic faith. According to Bishop J. Rancans, about 450,000 Catholics of Latvian origin were registered in Roman Catholic parishes in 1928.* Hence 81.37% of all Catholics in Latvia were of the Latvian race; the rest were: Poles 9.96%, Lithuanians 4.60%, White-Russians 2.97%, and others 1.3%. In 1934 there were 172 Roman Catholic parishes and fourteen Decanates in Latvia.

In 1935 a Catholic Department was opened at the University of Riga, Bishop J. Rancans being elected dean of the faculty. He taught history of the Catholic Church. Bishop B. Sloskans (Director of the Catholic Seminary in Riga), taught dogmatic theology.

In 1936 the Holy See elevated Archbishop A. Springovics to the rank of Metropolitan-Archbishop and renewed the historical Bishopric Kurzeme (founded in 1234 and vacant since 1561). Monsignor A. Urbsis, of Lithuanian origin, was appointed Bishop of Kurzeme.

GREEK-ORTHODOX CHURCH AUTOCEPHALOUS IN LATVIA

In 1935, 174,389 Latvian inhabitants or 8.94% belonged to the Greek-Orthodox Church. The majority of them were Great-Russians.

The Greek-Orthodox Church, third largest faith of Latvia, ranking after the Catholic Church, however, separated from the Patriarchate of Moscow and decided to become autocephalous and submitted directly to the Patriarch of Constantinople. The latter came personally to Riga in 1936 and consecrated the Metropolitan Archbishop of Latvia, a prelate of Latvian origin, Augustine, who had been elected to the dignity of Metropolitan Archbishop by the Greek-Orthodox Synod of the country.

The Greek-Orthodox Church has all the same rights as the other registered religious denominations.

THE OLD-BELIEVERS

The so-called "Old-believers", who at the end of the seventeenth century had found a religious haven in Latvia, are also a self-governing congregation, and they enjoy all rights

* In the symposium *Latvijas Republika Desmit Pastavesanas Gados*—Ten Years of the Republic of Latvia, edited by Dr. A. Bilmanis, Riga, 1928, pp. 599–605.

like other denominations. The Old-believers do not recognize the Latvian Greek-Orthodox Metropolitan, nor the Moscow Patriarch, and they maintain a Synod of their own. The Old-believers do not have bishops, but only preachers.

In 1935, 107,195 Latvian inhabitants were Old-believers, mostly of Great-Russian origin.¹

RELIGIOUS SITUATION DURING THE SECOND WORLD WAR

Latvia was subjected to the Bolshevik occupation from June 17, 1940, to July 1, 1941, then to the German Nazi from July 1, 1941, to May 9, 1945, and then again to the Bolshevik, under which Latvia suffers to this very day.

During all this time there was no religious freedom in Latvia. However, regardless of all the oppression and adversities the people did not lose their faith.

¹ All statistical data compiled from A. Maldups, *Latvija skaitļos* (Latvian Statistics), Riga, 1988, pp. 71, 72.



Our Lady of Aglona—Patroness of Latvia. In 1215, on the Lateran Council, Pope Innocent III Named Baptised Latvia
Terra Matris

EDUCATION IN MODERN LATVIA

Every child in Latvia was compelled by law to frequent a parish or elementary school. Article 159 of the Latvian Penal Code of 1933 made parents and guardians responsible for withholding children of school age from school. It was considered a shame if one could not write and read. When a son succeeded in obtaining a scholarship for high school or university, it was an event of joy and pride for all the family, and everyone in the family would take a direct interest in what and how he learned. A family was particularly proud when the son or daughter graduated from a university or some other higher educational institution. The professions of teacher, pastor, agronomist, or physician were considered as the most important. The dream of any Latvian mother was to see her son preaching in a church. The pastor, the rural school teacher and the agronomist, as well as the local physician, were the closest friends and advisers of the Latvian farmer, who began his life and ended it with the pastor.

SCHOOL SYSTEM

One of the first acts of the independent Latvian Government was to organize a good efficient education, based on the principles of modern pedagogical science, and to provide well-built, spacious schools, adequately equipped with necessary laboratories and libraries. Often former baronial castles were used for school houses in the country, but the majority of Latvian schools were built anew during Latvia's independence. A school usually had a large playground, often spacious orchards and flower gardens.

Latvia had one of the most modern educational systems in Europe. The national minorities enjoyed cultural autonomy by statutory law, adopted in December 1919. All schools were open for both sexes. There were mixed classes for both sexes, and separate ones for boys and girls. School children had to wear uniforms to prevent wealthier children from displaying their better shoes, stockings, and clothes. The primary school led to high school, and from there to highest education. School organization was put on a scientific basis, as were textbooks. The first and most important duty of the school was to develop the pupil's character, to prepare him for practical life and to make him efficient. There were no quotas in the Latvian State University for national minorities.



Rural Elementary School in Community of Kalnciems.
One of Several Hundred Built in Independent Latvia.

Underlying the Latvian school system was the principle of unity with the following special characteristics: (a) one common educational basis in the elementary school, graduating which each pupil—without any restrictions due to rank, nationality or religion—was free to continue his education along the lines suitable to his abilities and tendencies; (b) school programs and entrance regulations were arranged so that for the continuation of his studies a pupil from the elementary school could without any special trouble pass over to a higher school, no matter of what type; and (c) material assistance was extended to gifted and striving pupils in poor circumstances, thus enabling them to attain the highest education.

At the basis of all school education was the 6-year obligatory and free elementary school, which presupposed a certain preparation at home or at a primary school for one year. Including this preparatory class, the Latvian elementary school meant practically a 7-year course. Its syllabus was so arranged that it gave the pupils the minimum amount of knowledge indispensable to taking up practical work, or continuing studies in secondary or special vocational schools. Pupils who intended to continue their studies in secondary schools or gymnasias could enter the first preparatory class of such a gymnasium after they had completed the fourth class course of the elementary school. This specialization in education was allowed as early as the age of 12 to 13, two years before finishing the full course of the elementary school.

Pupils who did not wish to continue their education after having finished the elementary course, were obliged to spend



Elementary School in Riga Suburb

two years in a free supplementary school, whose aim was to give them knowledge applicable to practical life, and to raise their educational level in general.

Boys or girls who had completed the full elementary course of studies were allowed to continue their education in a gymnasium or in a secondary school of the special type with a 5-year course, or in vocational school of a lower type where the course lasted for 1 to 5 years. The gymnasia and secondary schools of special type prepared their pupils for the university. Under normal conditions a pupil could obtain his certificate of maturity at the age of 20, after having studied in the primary school from the age of 8 to 9, the elementary school from 9 to 15, and the secondary school from 15 to 20.

Coeducation was practiced on the whole in Latvian schools up to the year 1935. Later, for purely educational reasons, considering the special needs of either sex, separate education was gradually introduced, special schools or classes being arranged for boys or girls. Coeducation existed only in some small schools where it was not economical to arrange separate teaching. In connection with this introduction of separate teaching it became possible, in addition to the subjects of general education, to pay special attention to subjects that in the future life of each sex would be of particular importance, e. g., manual work and agricultural training for boys, and for girls—needle-work, housekeeping, with practical work in the garden and kitchen—and in the secondary schools for girls, lessons covering an extensive course in female and infant hygiene, psychology, and education.

Public—State or municipal—primary, elementary, and supplementary schools were free to all pupils, with material as-

sistance to those in poor circumstances. In other schools pupils paid a certain tuition fee, but at least one-fifth of them were freed from paying it, and some of them were awarded scholarships to continue their education. It is to be noted that the curriculum for the elementary schools in towns was not the same as that for the country schools, each curriculum being adapted to the local needs and circumstances.

BASIC PRINCIPLES

A Latvian School Law was promulgated even before the struggle for independence had ceased. In 1934, however, a new law of national education was substituted. The characteristic features that make this law differ from the first one are as follows: (1) Definite declaration of the aim of education and upbringing, expressed in the following words: "Every school must strive to develop its pupils physically, intellectually, aesthetically, and morally, and inculcate in them personal and social virtues, industry, patriotism, and friendly feelings toward people of other nationalities and ranks"; (2) extending the course of studies in secondary schools from 4 to 5 years, by adding one more class at the top; (3) more rights and responsibilities placed on headmasters; and (4) central administrative institutions given greater possibilities in directing and arranging school life.

The State and the municipalities provided schools and educational institutions necessary for the people, but these tasks could be undertaken under State supervision by private persons, juridical and physical.

Schools where teaching was done in Latvian could be attended by children of all nationalities; for minorities, there were schools (if not less than 80 children) or classes (if not less than 30) where teaching was done in their own language. Religious teaching was carried on in all schools, the syllabus being worked out by the Ministry of Education and approved by the church heads of the respective denomination. Each denomination could claim the right of having special lessons arranged for religious instruction if that school was attended by not less than 10 pupils of this denomination. Pupils belonging to a church whose doctrines were not taught in the school were not obliged to attend lessons in religious instruction, nor did they have to take part in religious ceremonies. If there were not less than 10 such pupils at one school, then instead of religious instruction, they were taught ethics.

If during the age of obligatory school attendance a pupil had been absent from school without any important reason, his parents or guardians had to pay a fine of up to 1 Lat (20 cents), for each day. The administrative bodies saw to it that this



**Academia Petrina in Jelgava-Mitau
Built in Eighteenth Century**

fine was paid, and it was used for the benefit of the school in whose district the respective child lived. Parents were allowed to educate their children at home, yet this education was subject to government control. Obligatory education applied also to children physically, mentally or morally defective, for whose instruction and education special schools and homes were provided (e. g., schools for deaf mutes, etc.).

CHARACTER OF SCHOOL WORK

In addition to 3 to 4 months' summer vacation (June, July, and August, and for the country obligatory schools also September), there were several other shorter breaks, so that the number of school days for the elementary schools amounted to only 160 to 185 a year; for the other schools it was 190, except for examinations. Teaching was done every weekday, with a break at noon for lunch. The number of lessons depended upon the type of school and the grade or standard. Thus, in the primary school not more than 21 lessons a week were planned (3 to 4 a day); in the elementary school classes, 23 to 31; in the gymnasias 30 to 34; but in vocational schools with practical work the number of weekly lessons was usually larger. A lesson lasted for 45 minutes; after each lesson there was a 10-minute interval. After the second lesson there was a 20-minute interval, when the pupils received a warm breakfast.

In 1936 school broadcasts were introduced. Every Wednes-

day from 11:35 to 11:55 grades V and VI of the elementary schools, and all the gymnasias and vocational schools listened to the special school program arranged with a view to civic education.

As to methods of teaching, teachers were not given special instruction. As teaching positions could not be occupied by persons without special educational training, teachers were allowed to choose the methods they found most suitable. The school administrators only demanded that these methods be pedagogically sound, and that the ground mapped out by the school programs be covered. School books were used extensively, and the school boards saw to it that pupils in poor circumstances were provided with books in each subject. It is to be noted that only books approved and permitted by the Ministry of Education could be used in schools.

A pupil was supposed to spend one year in each class. Every spring, the teachers' conference decided whether a pupil was qualified to be transferred to a higher class. Unsuccessful pupils who had failed in not more than two subjects could be admitted to reexamination in the autumn, while the weaker ones had to repeat the same class.

There was constant control of the pupils' success, but it varied with the type of school. In the elementary schools pupils were transferred from class to class without special examinations, on the basis of their attainments in the class during the year. At the end of the elementary course, however, they were examined in three subjects: Latvian language, mathematics, and one other, which, shortly before the examinations, was prescribed by the Ministry of Education. According to the success shown during the year and at these examinations, a pupil of the final class could be awarded (1) a certificate which entitled him to enter a secondary school without examinations; (2) a certificate without such rights; and (3) no certificate if he was to remain in the same class for a repetition course. In the secondary and vocational schools there were class examinations every year, from 2 to 4, in subjects prescribed by the Ministry of Education. The same rule was observed at the end of the full course, when the "absolvents" (graduates) of the gymnasias and vocational schools were also arranged into three categories: (1) receivers of the certificate of maturity, with the right to matriculate; (2) receivers of such a certificate without matriculation rights; and (3) the failures, who had to repeat the year.

At the end of the full course of the elementary schools, gymnasias and all vocational schools, the school certificates were distributed at a special festival closing "act" (commencement).



President K. Ulmanis Among Latvian Mazpulki (4-H Club) Members

SELF-ACTIVITY

Self-activity of the pupils was demonstrated best in organizations that existed in practically every school. The characteristics and aims of these organizations were various, with the one common principle as their essential feature, that, under the supervision and partial guidance of the teachers, they gave vent to their inborn tendencies and initiative, so that they were applied to their own and their country's benefit. Worthy of mention were sport, temperance, aviation, literary, tourist, history, music, and other pupils' clubs.

MAZPULKI

Of greater importance, however, were the *mazpulki* (literally, the little troops, corresponding to American 4-H clubs), the pupils' cooperatives, pupils' savings banks, and the Junior Red Cross groups. The *mazpulki* were self-active, educational youth organizations taking particular interest in agriculture, with the ultimate aim of inculcating in youth love for their country, and aptitude for work, and developing strong characters. Their activities were guided by the Chamber of Agriculture, which supplied them with competent instructors, arranged prize competitions and summer camps, inspected the *mazpulki* crops, and provided suitable literature. On the average, every fifth pupil in Latvia was an active member of the *mazpulki*. Their periodical, *Mazpulks*, was printed to the extent of 30,000 copies. In 1939 there were more than a thousand *mazpulki* in Latvia.



Mazpulki (4-H Club). Members Reaping Grain

JUNIOR RED CROSS

The Junior Red Cross groups took special interest in developing pupils' self-activity along the lines of sanitary, wholesome living, mutual help, and keeping up friendly relations with school youth abroad. They also published their own magazine, *Latvijas Jaunatne* (Latvian Youth). Pupils' Cooperatives strove for the spirit of cooperation and thrift and helped the school to procure the necessary objects and instruments.

CHILD HEALTH

As regards improving the pupils' health, an important part must be ascribed to the school common dining room. These were set up not only in schools where there were common bedrooms for pupils whose homes were far from the school, but also in many others. In some these common dining rooms provided only warm breakfasts, which were served to the pupils during the long interval; in others, there was breakfast, dinner and supper, even tea. The poorer pupils partook of the meals free of charge, the State or the municipalities paying for them. The other children paid the cost themselves. In many schools of agriculture the foodstuffs for their common dining table were supplied by the school land, which was cultivated by the pupils themselves during their practical lessons in nature study. In 1934 a little more than one-half of all Latvian schools had arranged common board for the pupils; in 1937-38 not less than 80 percent had provided it. Observation proved that to

feed children thus in the schools not only improved their health but also favorably influenced regular school attendance and success in school work. In schools where the common table was well looked after, the percentage of unsuccessful pupils was considerably smaller. The law prescribed a school physician for each school. He was paid by the school board, which furnished medicine also for the poorer pupils. In some schools there were special dentists. The general system of physical culture carried on by gymnastic instructors who were required to have thorough training in the Institute for Physical Culture, did much good. For healthful summer vacations, city children were sent to the country and the municipalities and the Ministry of Public Welfare paid the expense if the parents could not afford it. Much more careful attention was given to the erection of sanitary school buildings.

FRIENDLY APPEAL

On January 28, 1935, Premier K. Ulmanis appealed to all citizens to remember their first school, the church, the parish, or society with which their childhood had been associated, and to present them with books, paintings, musical instruments, etc. The response to this appeal was such that the Ministry of Education was obliged to organize a special "Friendly Appeal Bureau", to classify and send out to the indicated schools the stream of donations flowing in from every part of the country. Even whole buildings were erected and presented to schools. Within 3½ years, more than half a million lats in cash, 1,302,000 volumes of books, 3,672 paintings, sculptures and other objects of decoration, many musical instruments, and educational and medical supplies were dedicated by thousands of citizens to their first schools.

LATVIAN STATE UNIVERSITY

The Latvian State University had well organized laboratories and clinics, and a library with about 320,000 volumes. The students were organized in some thirty fraternities, having their different colored caps. This was socially important for students coming from the country. The State University had departments of chemistry, economics and law, engineering, mathematics, natural sciences, mechanics, medicine (with pharmaceutic and dentistry sections), philology-philosophy, and Lutheran and Roman Catholic theology.

PEOPLE'S UNIVERSITIES AND COURSES

Fourteen people's universities and their branches, attended by 2,596 persons, with 187 different courses, attended by 15,764,



State University in Riga

were functioning in 1937-38. These universities and courses were permanent educational institutions which could not be opened unless the Ministry of Education had approved their statutes, their program, and their teaching staff with the required education and training. In addition to the permanent courses every year special series of lectures were organized by various institutions and societies upon different, special or general problems.

GENERAL STATISTICS

Summarized below are the statistics of education in Latvia for 1937-38.

<i>Educational institutions, type</i>	<i>Their number</i>	<i>Attendance</i>		<i>Teaching staff</i>
		<i>Total</i>	<i>Women</i>	
Elementary, primary, supplementary schools and kindergartens.....	1,904	231,533	111,062	9,287
Lower schools of special type.....	83	7,317	2,250	735
Vocational secondary schools and other institutions of special type.....	45	7,744	3,460	923
Gymnasias.....	77	16,779	9,704	1,603
Private academic institutions.....	4	528	154	83
The Latvian University.....	1	6,813	2,038	416
The Latvian Conservatory....	1	278	146	38
The Latvian Academy of Fine Arts.....	1	205	63	21
Total.....	2,116	271,197	128,877	13,106

In 1914, the population of Latvia numbered 2,552,000, and for every 1,000 inhabitants only 67 pupils were attending different schools. According to the Census of 1920, the population was reduced to 1,596,131, yet for every thousand inhabitants there were 80 pupils attending school; in 1925 this number had reached 110; in 1935, it was 130, and in 1937, 137 pupils for every thousand inhabitants were attending various schools (not including courses and people's universities). The relative numbers had more than doubled. Expenditures per pupil and per inhabitant increased from three-fold to four-fold. Schools that in general were formerly accessible only to the privileged and wealthy classes afforded every opportunity to all, not only in secondary, but also in academic education. The Government spent 15% of the budget for education.

A Baltic students' organization called "SELL" (a word formed from the first letters of the names of the Baltic countries

—Suomi or Finland, Eesti or Estonia, Latvia and Lithuania) held their regular annual meetings alternatively in the Baltic capitals. Also other educational and scientific Baltic congresses often met—like Congresses of Baltic Historians, Archaeologists, etc. They fostered a common understanding and scientific cooperation.

As a result of these educational activities the percentage of illiteracy inherited from tsarist times was lowered. From 22% in 1920 the number of illiterates decreased to 10.15% in 1937; among these were the older groups of population, which under tsarist rule had had no chance to obtain primary education. This applied especially to the province bordering on Soviet Russia, inhabited by a rather high percentage of White-Russians and Russians. That is the reason why the number of illiterates among this group of Latvia's population was rather high and reflected on the general situation and percentage. Illiteracy among the Latvians themselves in 1937 was less than 7%.

Percent of Illiteracy Among Latvia's National Minority Population

(In 1937)

Germans.....	3.00%
Jews.....	10.00%
Poles.....	18.00%
Lithuanians.....	22.00%
White-Russians.....	29.00%
Russians.....	33.20%

Attendance of Highschools and Higher Educational Institutions in 1935-36

	<i>Men</i>	<i>Women</i>
High Schools.....	5,974	7,521
Agricultural institutes.....	1,542	1,822
Commercial schools.....	1,019	1,315
Teachers' institutes.....	401	878
English Institute.....	34	377
University.....	4,525	2,195
Academy of Arts.....	145	66
Conservatory.....	148	147

Primary Schools in 1937

<i>School Language</i>	<i>Number of Pupils</i>	<i>Number of Schools</i>
Latvian.....	186,981	1,506
Russian.....	16,924	150
Jewish.....	9,715	62
German.....	6,114	71
Polish.....	2,129	16
Lithuanian.....	531	11
Estonian.....	114	4
White-Russian.....	168	1
Mixed schools.....	8,907	83

High Schools in 1937

<i>School Language</i>	<i>Number of Pupils</i>	<i>Number of Schools</i>
Latvian.....	19,867	88
Jewish.....	1,625	11
German.....	1,224	8
Russian.....	532	3
Polish.....	179	2
Lithuanian.....	279	1
Mixed.....	279	1

Attendance of Higher Educational Institutions in 1937, by National Minorities

	<i>University</i>	<i>Conservatory</i>	<i>Academy of Arts</i>	<i>Vocational Institutes</i>
Latvians.....	5834-86 %	206-74.1%	181-88.3%	826
Jews.....	432- 6.4%	45-16.2%	..	71
Germans.....	255- 3.8%	8- 2.9%	6- 2.9%	243
Russians.....	187- 2.8%	15- 5.4%	10- 4.9%	85
Poles.....	27- 0.4%	..	..	..
Lithuanians.....	23- 0.3%	..	..	..
Estonians.....	21- 0.3%	..	..	..

SCHOOLS OF AGRICULTURE

Latvian Schools of agriculture deserve to be especially mentioned. In the 1938-39 academic year the number of pupils in all the 59 agricultural schools of different types totaled 1,542 boys and 1,822 girls—in all 3,364, as against 2,208 in 1933-34. The system of agricultural education is topped by the Academy of Agriculture in Jelgava with three departments: agricultural, forestry and veterinary. The average attendance was 550 students in the agricultural and 260 students in the forestry department. The object and tasks of the Academy were to further scientific research work and the spreading of scientific knowledge in Latvia, affording the students the highest possible education in agriculture and forestry, at the same time paying due attention to the necessary training and practical experience of the students. The Academy was separated from the State University in 1937.

Higher Grade Agricultural Educational Institutions were. *The Institute for Domestic Economy* to prepare women teachers and instructors of domestic economy. The institute matriculated girls who had finished intermediate schools of agriculture for girls with a four-year course, and secondary schools with the condition that they had previously undergone two months' practical work at a model farm.

Intermediate agricultural schools, with a five-year course, educated male and female students. They obtained a general education corresponding to high schools and a sound knowledge of all branches of agriculture. During the summer season,



Agricultural Institute in Priekuli, Vidzeme, Founded in 1910

pupils were required to work twelve weeks on the farms attached to the school, where they were employed in practical-instructive and practical work.

The *Intermediate Horticultural School* endeavored to prepare teachers of horticulture, horticultural instructors and responsible workers for the field of horticulture. The course was 4 years.

To lower grade agricultural schools belonged 26 two-year *Agricultural schools*. The scholastic winter term lasted 23 weeks, the summer course varying between one and five months. All these schools had their own farms. Applicants were admitted after finishing 6-grade primary schools.

Domestic Economy schools prepared housewives, mothers and managers of countryside households. Needlework and other handiwork and cooking was taught, including stock farming, horticulture and dairying. The course of these schools was two years maximum.

For training of superintendents of stock-farming *Stock-farming schools* existed. Practical work was devoted to live-stock, supervised under the guidance of experienced stock-farming superintendents.

The *Dairy school* prepared the future butter and cheese makers. The course was two years and one year practical work at a dairy, before they obtained a degree of dairy or cheese-dairy manager or assistant manager.

There were also *Gardening schools*, with an emphasis on practical work, and *Stock-attendants schools*; agricultural *Foremen schools* prepared practical overseers, combining theoretical

with practical instruction. To the same type of practical schools belonged *Fishery schools* and schools for *Popular agriculture* in the country.

Some of these schools were maintained by the Chamber of Agriculture and Agricultural societies.

The Forestry Department of the Ministry of Agriculture maintained three *Forestry schools* with a two-year course to prepare foresters. For almost all of these schools—except fishery, agricultural foremen, stock-attendants and gardening schools—pupils were required to have undergone a previous training in elementary schools.

An innovation was the *High School for Popular Agriculture* for city dwellers, requiring no practical work.

STATE FUND FOR FOSTERING CULTURE

As a result of the initiative of President K. Ulmanis there was created in Latvia a working fund which was known as “the Fund for Fostering Culture.” It was established outside the State budget.

All the means in this Fund were under the supervision of a Council, the composition of which was laid down by law. The Prime Minister was *ex-officio* Chairman of the Council.

The resources of the Culture Fund were used for the following purposes: (1) for creating works and monuments of national culture; (2) awarding prizes for distinguished work in the field of culture; (3) granting support to science, art and literature, as well as assistance to scientists, artists and writers; (4) popularizing science, art and literature; (5) granting scholarships for completing education and facilitating studies, and (6) for promoting outside school and adult education.

The Culture Fund obtained its means from the following sources: a 3% surcharge to the prices of alcoholic beverages, a 3% surcharge to the value of the excise duty paid on tobacco goods, and a charge of 15 santimes per running metre of moving pictures imported and passed for demonstration.

Very noticeable was the increase of support granted for erecting public buildings and publishing books for special purposes.

In addition to books of a scientific character, the Culture Fund made budgetary provision yearly for publishing textbooks required by university students. The Culture Fund also paid due attention to extending the network of libraries all over the country, especially in the country.

An equal measure of importance was attached to the support which the Culture Fund issued in the form of scholarships for



Ducal Palace in Jelgave or Mitau
Rebuilt After First World War.
Housing State Agricultural Academy

the benefit of art and artists. Gifted Latvian musicians, painters and actors were sent abroad to supplement their education.

The Culture Fund also was engaged in arranging art exhibitions on a rather extensive scale, and at each of these shows it purchased works of art in order to encourage the artists to continue their creative work.

A survey of the items of expenditure of the Culture Fund in the budget year 1938-39 may serve to illustrate the scope of its activity in the cultural field. In that fiscal year it granted sums to organizations and institutions for cultural purposes, including sums assigned for building purposes; furthermore, it granted sums for publishing books, for scientific research work; for subscribing to journals for the requirements of schools and societies; for acquiring a number of paintings and issuing reproductions of different works of art; for maintaining symphony orchestras and public conservatories; for sending Latvian scientists and artists abroad to supplement their studies; for supplementing public and school libraries, as prizes for the best scientific, literary, musical and artistic work; for publishing the best compositions; for various lectures and courses of instruction, and so forth.

PUBLIC HEALTH

The preservation and improvement of public health was one of the chief concerns of the state administration of Latvia and of its urban and rural self-governing institutions. The Society of the Latvian Red Cross played an important part in the prevention and combatting of diseases and in popularizing hygiene. Municipal authorities opened hospitals for children and adults, special attention being given to tuberculosis.

Markets, groceries, butcher-shops, restaurants, slaughter-houses and all food industries were under the permanent control and inspection of state health officers, as were all industrial establishments, schools and other public gathering places.

HEALTH INSURANCE

Workers' health insurance was administered by special law, including provisions for maternity aid. Also fishermen, seamen, and employees, whether in State, local administrative or private employment, benefitted from prevailing health insurance provisions. Three-fifths of the inhabitants of the country were insured against sickness, including dwellers in rural areas. Only one-eighth of the population—employers, house owners, industrialists, etc., were not covered by the system of sickness insurance. A sufficient number of public health officers supplemented the numerous courses of popular hygiene.

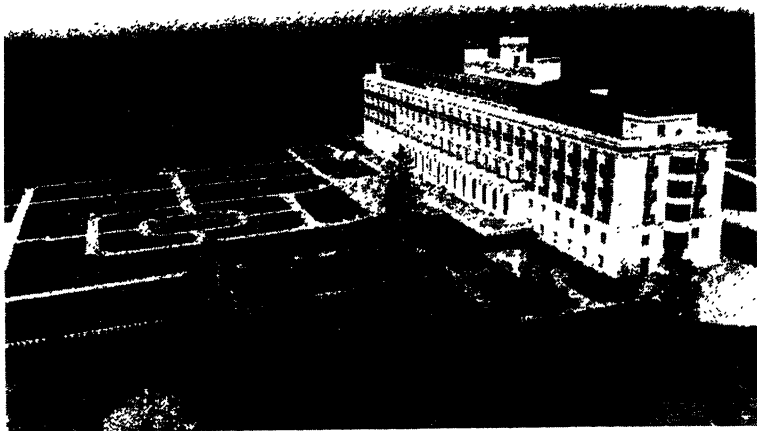
MEDICAL PERSONNEL

In 1938 Latvia had 1,566 physicians (including 474 women doctors), 44 assistant surgeons, 810 dentists, 856 licensed midwives, and 953 masseuses. There were 522 pharmacies, 141 hospitals with some 12,853 beds, many private clinics and 5 sulphur-mud bath establishments.

Physicians who had graduated abroad were required to pass examinations under the supervision of the medical department of the State University in order to obtain licenses for practicing. Druggists had to graduate from the university, and particular care was taken to have a high class staff of pharmacists.

The stipulations of international conventions regarding labor protection were scrupulously observed and carried out. Special care was given to the problems of drinking water and sewage, both in the towns and in rural districts.

Sanitary and health questions came within the sphere of the Ministry of Public Welfare, which supervised the execution of health measures prescribed by law and dealt with such



Hotel at Kemerli-Spa (Built in 1936)

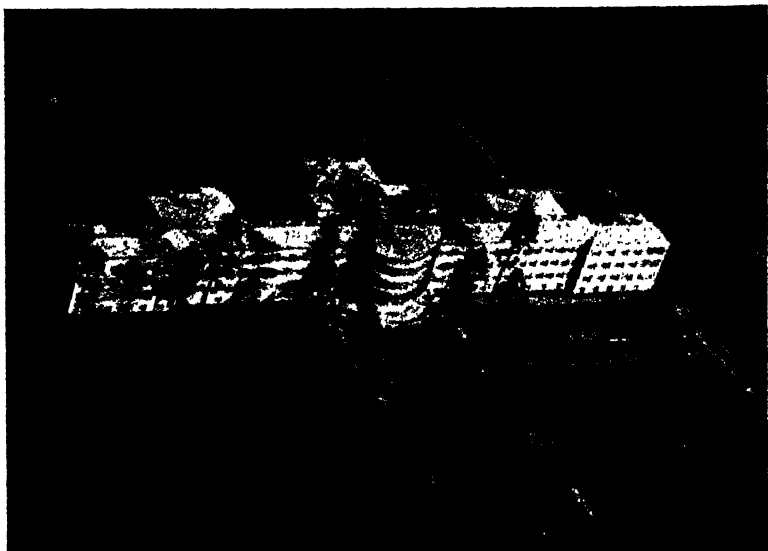
questions as medical treatment for country-dwellers and for employees and persons insured against accidents. Also all the sickness insurance funds were under the supervision of the Ministry of Public Welfare.

In the province, the Ministry was represented by its medical officers. There were 342 county physicians who supplied medical assistance either in the form of consultations or visits to private homes, while, if necessary, the patient was sent to a specialist or accommodated in a hospital. The physician's monthly salary was fixed in proportion to the area of his county; apart from the salary paid by the Government, the county physician received from the patient a fee of Ls. 0.80 per visit, together with remuneration for special services on a scale fixed by the Ministry of Public Welfare. The physician was also compensated for the time spent in traveling when paying visits to private houses.

The county physician also acted as physician to the communal school. He had to report every case of infectious disease to the Medical Officer, who took note of such cases and reported them once a week to the Public Health Department. The Medical Officer was responsible for the isolation of the patient and for the necessary measures of disinfection.

In 1939 the Ministry of Public Welfare began to organize a dental service in rural areas, in which the State paid dentists a fixed salary, while the commune housed them free of charge. It was proposed to establish forty centers of this type in 1938, and the number was to be increased year by year.

For obstetrical purposes Latvia's rural areas were divided into 425 sections, each of which possessed a midwife whose



Tervete Tubercular Sanatorium in Zemgale (Built in 1934)

services were free. If the midwife observed any pathological symptom, she immediately had to call in a doctor (Latvia had a well developed network of telephones and good roads). Midwives were well trained for their work, having attended special two-year courses, during which they were obliged to live in the hospital, where they were present at numerous confinements.

The Ministry of Public Welfare had also instituted a system of registration for nurses. Officially qualified nurses had the right to work in hospitals and public health institutions.

There were five nursing schools, two of which were run by the Red Cross Society. The course lasted for three years.

In the rural areas, eighty-nine public health institutions had been opened; they were chiefly concerned with child welfare. Most of them were established by the Red Cross Society. The local municipality had to cover the cost of rent, heating, lighting, and cleaning, while the Red Cross paid the nurse's salary and provided medicaments, and the Government paid the doctor.

FAMILY ALLOWANCES FOR AGRICULTURAL WORKERS

During 1938-1939, approximately 54,000 agricultural workers' families with a total of 10,400 children received family allowances. This involved considerable expenditure by the Government.

An amendment of May 4, 1939 to the law instituting family allowances in agriculture provided that these allocations should be granted to all children of agricultural workers up to 11 years of age. In May 1939 the number of children receiving allowances rose to 11,800, as compared with 10,400 during the preceding month. The increase was expected to be still greater in subsequent months.

A decree of the Ministry of Public Welfare, published on December 30, 1939, provided that any urban worker with a dependent family who received employment for at least 12 months as an agricultural worker, with part of his wages being paid in kind, might borrow 150–300 Lats upon application to the Ministry through the local office. These interest-free loans were repayable after 5 years. After 12 months' employment the workers were also entitled to subsidies of 25 Lats for each family member settling with them in the countryside and supported by them. Under certain specified conditions this subsidy could be increased to 50 Lats.

HEALTH ORGANIZATIONS

The chief private organizations whose work touched upon public health were the following:

(1) The Latvian Red Cross, founded in 1918, which worked in cooperation with the Ministry of War and the Ministry of Public Welfare;

(2) The Society for the Protection of Health, founded in 1937.

With these were affiliated:

- (a) The Anti-Tuberculosis Society;
- (b) The Anti-Cancer Society;
- (c) The Red Cross Society.

The Society for the Protection of Health included eight departments:

- (a) Tuberculosis Department;
- (b) Cancer Department;
- (c) White Cross or Anti-Venereal Department;
- (d) Department for Assistance to the Blind;
- (e) Department for Assistance to Invalids;
- (f) Rheumatism Department;
- (g) Workers' Health Department;
- (h) Eugenics Department.

The campaign against tuberculosis was governed by a special law, promulgated in 1936. This campaign was carried on by the Public Health Department, in which a special Tuberculosis

section had been established. Every year considerable sums were allotted by the State budget to medical establishments for the treatment of this disease. A system of registration and supervision had been introduced for patients suffering from contagious tuberculosis. If the latter refused to carry out the doctor's instructions, they were placed in a medical establishment by constraint.

In connection with the campaign against tuberculosis the following health institutions functioned:

- 9 dispensaries;
- 9 sanatoriums for consumptives, with 836 beds;
- 2 sanatoriums for consumptive children, with 165 beds;
- 2 sanatoriums for children suffering from tuberculosis of the bones, with 310 beds;
- 4 auxiliary sanatoriums, with 272 beds;

Several rest-cure sanatoriums with 250 beds, open only during the summer time.

A total of 1,833 beds was available at these health institutions to combat tuberculosis.

The law regarding venereal diseases came into force in 1938, and replaced the earlier provisional regulations. This law made the registration and supervision of patients compulsory. If the patient refused to undergo medical treatment, he was placed in a medical establishment by constraint.

The campaign against cancer had not yet led to any special legislation; but a system of registration and supervision had already been introduced for persons suffering from this disease.

The Government also took steps to deal with the insane, and dangerous cases were placed in asylums by constraint.

Measures were taken against typhus. The number of cases, 1,601 in 1920 and 1,546 in 1924, had fallen by 1933 to 601, and in 1937 to 656. The establishment of a special bacteriological laboratory at the Ministry of Public Welfare had helped to combat this disease.

Several types of hospitals existed in rural areas. The municipalities had maintained small hospitals, most of which had no more than fifteen beds. These small hospitals had been converted by law into public.

Most of the rural hospitals which had more than forty beds and served several communes had been established by the Red Cross. New hospitals had been opened by local organizations, with financial aid from the Government and public bodies. The Ministry of Public Welfare issued licenses to physicians and pharmacists, supervised their activities and published annual statistical reports.



Bridge over Gauja at Sigulda

HEALTH RESORTS

Latvia has a great number of watering places and health resorts that can compare favorably with well known European resorts because of their unique charm and the healthy climatic conditions. Particular mention should be made of the so-called "Livonian Switzerland" in Vidzeme which was proclaimed a national park. It is formed by the picturesque Gauja river valley. Sigulda, Turaida and Krimulda are the three preferable spots, but also Cesis presents a charming site. The "Livonian Switzerland" is connected with Riga by railway and bus. The province of Kurzeme also has its own "Switzerland", lying in the valley of the rivers Amula and Imula. The names of the spots are: Kandava, Kabile and Sabile.

Ogre, near Riga, abounds with pine woods and is recommended for convalescents. It is also easily accessible.

Rigas Jurmala, the shore of the Gulf of Riga, only 12 miles from the capital, is prominent with its sandy dunes, and background of pine woods. Summer "villas" or country houses, modern hotels, and rooms to be leased offer accommodations to visitors. It is rightly called a "childrens' paradise" on account of the sandy and shallow sea-shores. In the northern part of the *Rigas Jurmala*, some three miles inland, surrounded by pine forests, lies Kemeris, the world famous sulphur spa. It has one of the largest and most modern hotels in the Baltic. Kemeris is



Rigas Jurmala-Popular Summer Resort at the Beach of Riga

connected with Riga by railway and bus. Baldone, south of Riga, situated in hilly forest country, is the other big sulphur spa. Both Baldone and Kemeris are supervised by the Government and thus are accessible also to the less well-to-do class of population. A spa similar to Kemeris is to be found in Liepaja, with an establishment offering sulphur, mud and hot sea-water baths. Sulphuric mud compresses combined with hot sulphur baths have proved a sure cure for many diseases, particularly rheumatism. Other smaller sulphuric spas are in Barbele and Kandava in Kurzeme, and Sigulda in Vidzeme.



Popular Arts: Belt Buckle

NUTRITION

The old Roman proverb—*mens sana in corpore sano*—applies also to Latvians. The Latvians were healthy both physically and intellectually. They had their own rules for a diet, worked out by ages of long experience—a different diet during the summer and winter, during hard work and leisure.

Quantities of the Principal Foodstuffs Consumed per year by an Adult in the Rural Areas (average 1927-1932) 1 kilogr. = 2.2 lb.

	Kilograms	Calories per Day*
Rye.....	149.8	1,040
Wheat.....	79.1	562
Barley.....	56.3	405
Peas, etc.....	8.6	58
Potatoes.....	259.8	650
Milk.....	302.9	547
Skim milk.....	343.7	341
Butter.....	9.6	201
Pork.....	55.1	390
Mutton.....	7.2	48
Beef and veal.....	11.4	49
Eggs..... number..	69	13
Honey..... kilograms..	1.5	18
Sugar.....	28.0	307
Salt.....	19.1	...
Herrings.....	12.6	78
<hr/>		
Total.....		4,700

In 1936-37 an adult's average daily consumption of net calories amounted to 4,880. Animal products supplied 1,816 calories or 37.2%, butcher's products 573 calories or 11.8%, dairy products—1,198 cal. or 24.5%, and cereals 2,053 cal. or 42.1%. The above tables do not include fruit, berries, and vegetables, of which a considerable quantity is consumed, especially during the summer, but which are eaten chiefly between meals.

In 1936-37 the average daily cost of food for an adult living in the country was Ls. 0.71 or about 13 American cents.† (One lats = 19.3 cents). A skilled city worker working 8 hours earned Ls. 5.45 per day or Ls. 130.80 monthly. The rent of a room was Ls. 16.00 per month or about 3 dollars. A suit of clothes cost Ls. 39.00 or 7 dollars, a winter overcoat the same. A shirt cost Ls. 2.35, shoes Ls. 11.50. Agricultural workers earned about Ls. 272 yearly, with free board and room.

* Series of League of Nations Publications. European Conference on Rural Life, 1939. *Latvia* (Official No. C. 12.M.6, 1939, Conf. E.V.R.5).

† A. Maldups, op. cit., pp. 467-488.

The majority of Latvians spent their time in agricultural work in the fresh air, enjoyed good sleep, and took good care of their bodies by taking steam baths.

DIET

The basis of a Latvian's diet is bread, mostly sour rye bread (called "black bread"). Rye paste is used to make dumplings or porridge. The paste is prepared of unbolted rye-flour and eaten with milk. A drink "kultene", prepared by mixing unbolted rye-flour with boiling water and allowing the mixture to ferment, is very popular. Fine bolted rye flour is chiefly used for making brown bread known as "sweet-sour" bread.

Wheat is converted either into bolted or unbolted flour, or into peeled wheat or semolina. Unbolted flour is used for bread, pancakes and dumplings, which are eaten dry with sour cream, butter or bacon. This flour is also used to prepare a porridge which is eaten with sour cream, butter and bacon. The same flour is also the chief ingredient in numerous varieties of pastry.

Barley is used for porridge or as an ingredient in dishes made with vegetables and fruit.

Oat products—oatmeal and oatflakes—are used in the form of soups prepared with water and milk. They are also used for making porridge, milk soups, pancakes, and pastry.

Buckwheat is used peeled, split or whole, in the form of boiled or fried paste. Buckwheat flour is used for pancakes.

In addition to these native grain products, imported manna and rice are widely used for puddings and sweets. It is eaten with meat dishes, soups and vegetables. Also macaroni and noodles are popular. Other Latvian specialties are dumplings made of wheat flour and filled with chopped bacon, mixed with raisins; gingerbread; cakes, apple pies, etc.

Milk is one of the most widely used foods in Latvia. There were several milk-restaurants in Riga with an amazing choice of different milk dishes. Milk is chiefly consumed in its natural state, especially during the summer. It is supplied to towns pasteurized or sterilized in sealed half litre bottles.

It is drunk in the morning and afternoon—less frequently in the evening, and unboiled and cold. It is often added to porridges, to dishes made with peas and beans, and to soups. It is also used in making a number of very popular soups, for instance, the sour porridge—the "skāba putra", which is made of boiled fermented milk and barley groats with cottage cheese added, and eaten with herring, rye bread and hot or cold boiled potatoes. Sometimes cream is added. For hot summer days it is a delicious beverage.

Milk is also taken as clabber, curds, buttermilk or kephir—the last being popular in summer as a refreshing drink. Curdled milk is a supplement to potatoes, groats, peas and beans. From it is also made the so-called “maggie” (white cheese). When mixed with sour cream, it is eaten on bread in almost every family—also with potatoes.

Sweets are prepared from this cheese, by adding eggs, flour and spices. Cream is used both fresh and sour. The last is extensively employed in every kitchen. It is added to sauces, purees, cream dishes, vegetables and salads. Also mushrooms (wild) are fried with bacon and onions, and the sauce is made of sour cream. In summer the so-called St. John's cheese holds a special place; it is made of boiled clabber, with added caraway seeds.

Only fresh, pure butter, made of cream and produced by state controlled dairies under strict regulation, is used. It is eaten chiefly fresh, with a little salt added. Butter is used for frying meats and fish and in preparing vegetable dishes and pastries. The important quality of Latvian butter is derived from feeding cows in meadows and pastures saturated with iodine air. In winter the cows are fed mostly with dried clover and hay. This gives the milk a special aroma and generates vitamins in it.

Next to butter, meat is an important food and eaten at almost every meal. Fresh meat is consumed chiefly in the towns, salted and smoked in the country. State controlled slaughter houses guarantee good quality.

Pork is smoked and salted. Usually it is served roasted with onions, other vegetables, eggs and bread, and is also used for soups. It is especially appreciated in the form of smoked hams and sausages. In the country the slaughtering of hogs is an event and occurs mostly in autumn. The so-called blood sausage is cooked—a mixture of blood and groats, with bacon, onions and pepper. It is served cold and warm. Hams and shoulders are smoked after they have been salted in a barrel for at least a week. They are smoked in large chimneys, and cones of pine or juniper are used for smoke. Latvian smoked sausage is a widely known delicacy, particularly the so-called “Kurzeme sausage,” “hunters sausage” and “garlic sausage.” The feet and the head of the hog are used for “gallert” (potted meat in jelly) and the head is appreciated also as roasted food on Christmas. Smoked bacon is a big Latvian export item, as were hams (picknics).

Veal is mostly eaten fresh and chopped as cutlets. A good tasty “hamburger” is produced by ground veal, seasoned with a little ground pork, white bread, chopped onions and garlic. The so-called “Riga tea-sausage” and “Riga Zieschen” (frank-



Herd of "Latvian Browns"

furters) are made of ground pork, seasoned with potato flour, chopped onions and garlic.

Lamb is eaten smoked and fresh and served roasted, fried and in vegetable soups.

Poultry is eaten chiefly in autumn. Chicken, goose, duck and turkey are eaten roasted and fried. Very tasty are smoked goose, turkey and goose liver.

Next to fowl come game-hare, venison, wild boar and game-birds. Very often game is sold on the market—so abundant are Latvian hunting grounds.

From time to time also fancy meats appear on the market: elk, bear hams, rabbit-meat and even horse meat and horse sausage (favored by the local Tartars).

Eggs form a valuable food, and chicken eggs are the most widely used. In winter eggs preserved in sodium silicate are put on the market and these are scarcely distinguishable from fresh eggs. The "egg-season" is Easter, when eggs are colored, beaten against each other, rolled, etc. A favored dish in Latvia is ham and eggs.

A most important part in the Latvian diet is played by vegetables and fruits: potatoes (small—Irish), carrots (preserved for winter in sand), beetroot, turnips, kohlrabi and parsnips. Potatoes are served mashed, fried, roasted or stuffed. Celery, parsley, leeks, onions, garlic and fennel, dill and radish are used for flavoring and as separate dishes. Spring potatoes are served with parsley, or with spring onions, chicken with

tennel, lamb with garlic. Cucumbers are preserved with dill leaves of black current and oak. After a week or two they become translucent, amberlike, and are delicious. They are also eaten fresh, seasoned with salt, pepper, lemon juice or with sour cream. Cabbage is used fresh and as sauerkraut. It is fried with pork or sausages, used for soups, or cooked in the oven.

In Latvia blue and red cabbage, Brussels sprouts, and cauliflower also grow. Next to asparagus and artichokes they are considered a higher class of food. Tomatoes, spinach, sorrel, beans, gourds, pumpkins, peas, etc., are in abundance. Latvian housewives have their recipes for preserving these vegetables.

Fruits and berries are mainly eaten raw, but also preserved for the winter season. Apples are used for cider, apple-juice, jam, jelly and marmalade. Dried apples and mushrooms are to be found in every household. Pears, plums and cherries are eaten raw, but are also preserved and used for jams, pastes and marmalade. Grapes, apricots and peaches are grown in hot-houses, but mostly were imported. Berries including strawberries, raspberries, currants (black and red), gooseberries, wild blackberries, whortleberries and cranberries are used for liquors, jams, jelly, juices and wines, and are also preserved. Berries are also used for fruit-soups, refreshing drinks, sauces, etc. The Riga "Kirsh liqueur" made from cherries is one of Latvian specialties, next to the "Upenits"—a liqueur made from the black currant. The Riga Allash or Doppel-Kuemmell is made of alcohol fermented with caraway seeds. In summer different berries, such as strawberries, raspberries, blueberries and other varieties, are eaten with sugar and cream, except for whortleberries, which are eaten exclusively as jam cooked with apples and served with pancakes.

Fish is greatly appreciated—smoked as well as fresh: flounders, sprats and eels are preferred smoked, but lampreys are roasted and pressed. Salmon is preferred smoked with juniper and slightly salted. Boiled craw-fish is served warm and cold. The favored liqueur matching with craw-fish is the Riga-Kümmel.

Latvians like coffee mixed with chicory, and often use a synthetic coffee made of cereals, roasted peas, rye and barley; also acorns and chestnuts are used for coffee, just as dried strawberries and apple and linden blossoms are used for tea.

RURAL FESTIVALS

The Latvians are hospitable people. One of the Zemgale kings of the XIII century was named Viesturs (the Hospitable). Great events, such as marriage, the christening of a child,

confirmation and funerals are occasions for relatives and friends to gather. The "talka" or cooperative harvesting is another occasion for celebration after work is done.

During the long winter evenings the women of the rural community come together for common work—mostly embroidering, and they usually bring with them picnic food. They sing, tell tales, gossip and also teach one another new recipes.

The next popular, after the already described Ligo Day, Latvian rural festival is the Harvest Day in October, but for the young people—the St. Andrews' Day, on November 29.

On this day it is the custom for the young people to wear masks, very often in imitation of animals' heads. Disguised this way they will visit their friends, who have great fun in trying to guess who has come to see them. A buffet supper closes up the visit.

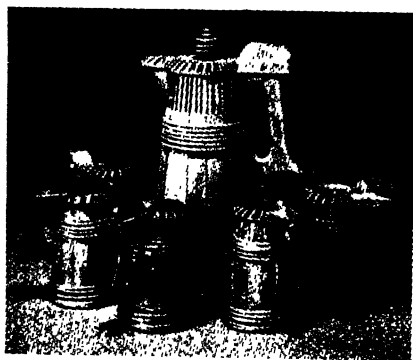
Latvia has two All Fool's Days. For not only is April 1 observed in this way, but April 30 as well. In the same way every child has two days to celebrate: the "Birthday" and "Nameday." All one's friends call to offer congratulations, and perhaps to give small presents, so that one generally has a big party on this day. On both the Name Day and the Birth Day the chair of the happy child will be gaily decorated with flowers. A special cake, made somewhat in the form of two circles joined together, is prepared. There are candles to represent the age of the celebrated person, and in addition there is an extra big candle which is supposed to represent all the birthdays to come in the future. Coffee with cream, but more often chocolate is served. Afterwards one sings and dances.

As all the world over, weddings are the occasions of special festivities. There are certain interesting customs connected with Latvian weddings. When the wedding party drives to the church the bride's sisters (or cousins, or friends) have to present the young men who are acting as "marshals" during the ceremony with brightly embroidered gloves. It is the duty of the "marshals" to escort on horseback the long row of carriages, and to fire pistol shots in the air as they go . . . The bridegroom and the bride leaving the church and entering the house have to pass under an arc made of the crossed swords of the "marshals."

This symbolizes the readiness of the clan to protect the welfare of the clan's daughter married by a member of another clan. Another custom that is also a survival of the past is that of bringing the wedding party to a standstill by drawing a rope across the road. The party is only allowed to proceed on its way after it has paid "toll," by giving the neighbors a drink. The ceremony at the church is followed by a formidable

feast of two to three days in the house of the bride's parents. This is an occasion for the relatives to gather and talk over things. The best of food and drink is usually served, a rural jazz band plays incessantly, young and old folks dance and sing. Marriage celebration indeed is one of the merriest festivals in rural Latvia. The next time the relatives gather to celebrate the christening of the first-born child. Another occasion for gathering present the traditional church festivals, district fairs and monthly market days.

As for every five years great Song Festivals are held in Latvia, during the intervening years in almost every rural community there is a choir preparing to take its part in the next National Song Festival.



Popular Arts: Wooden Jug and Ale Mugs

FAVORED LATVIAN DISHES

RECIPES

BEET-ROOT SALAD

For 5 people.—Take 5 gr. beet-root, $1\frac{1}{4}$ glass of caraway seed to 1 litre water (salt, sugar, vinegar, according to taste).

Boil or bake the beet-root in the oven, skin and slice, then pour caraway seed extract over it, add salt, sugar, vinegar or lemon juice and leave on for about an hour or two, until cooled off. Serve with cold meat.

SPUDINS OR GALLERTS (Potted veal in jelly).

Ingredients: 1 kg. veal, 1 to 2 eggs, 50 gr. butter, water, salt, pepper, herbs according to taste.

For making spudins, take the head, feet, etc., of a calf. The meat with herbs and salt for seasoning is put to boil with just enough water to cover it. When the meat is tender, remove all bones, pass through the meat grinder and put it back into the cauldron. Add the liquid passed through a sieve and put to boil once more. Then add the sliced boiled carrots, quarters of hard-boiled egg, and butter. The whole is now turned out into dishes previously rinsed with cold water and left to cool. Before being served, spudins is turned out into a shallow dish. Serve with horseradish, vinegar or mustard.

SAUERKRAUT SOUP (*Skabu kapostu zupa*)

Four persons.—Take 800 gr. bacon, 3 litres of water, 60 gr. barley, 500 gr. sauerkraut, 1 onion, 50 gr. sour (thick) cream, salt according to taste.

Put the meat in cold water to boil. When it begins to boil, remove the scum. Add chopped onion, shredded sauerkraut and barley and boil for about 2 hours, then add salt and sour cream according to taste. If desired, sliced tomatoes and apples may also be added before serving, or sour cream or barley left out. Instead of smoked pork, fresh pork, beef or mutton may also be taken.

MILK SOUP WITH DUMPLINGS (*Putrainu putra ar kunkuliem*)

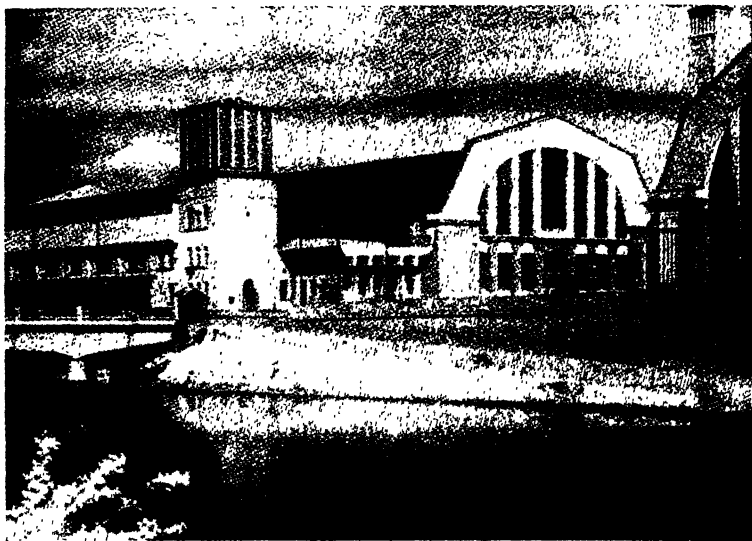
For 4 persons.—Take $1\frac{1}{2}$ litres of water, 100 gr. barley, $1\frac{1}{2}$ litres of milk, 200 gr. curds, 2 tablespoonfuls of thick sour cream, salt according to taste.

Cook barley in water to which a little salt has been added, until it is tender, then add milk. Let it boil, and add small spoonfuls of the dry curds. Serve with sour cream.

MASHED POTATOES (*Kartupelu biezputra*)

For 4 persons.—Take 1 to 1.3 kg. potatoes, 1 to 2 glasses of milk, water and salt according to taste, 50 gr. of butter.

Peel the potatoes and boil them in water, to which salt has been added, strain, pass through the meat grinder. Prepare melted butter in the cauldron, add mashed potatoes and, stirring all the time, slowly separate course with mushroom or other sauces.



Market Halls in Riga (Rebuilt from Captured German Zeppelin Hangars)

SALAD OF SAUERKRAUT (*Skabu kapostu salati*)

For 4 persons.—Take 800 gr. of sauerkraut, 400 gr. of apples, 1 onion, sour cream.

Raw sauerkraut, finely shredded, chopped onion and the finely shredded apples are mixed with sour cream and served with meat. If desired, the salad may be seasoned with a little sugar or salt.

ST. JOHN'S EVE CHEESE (*Janu siera*)

Ingredients: 1 kg. curds, 5 litres milk, 2 to 3 eggs, $\frac{1}{2}$ litre water, 40 to 80 gr. butter, 1 glass of cream (optional) caraway seed, salt, according to taste.

The curds are passed through the meat grinder and then stirred into the milk and water which have meanwhile been boiled. Heat the mixture until it reaches boiling point, then pour into a clean cloth, dipped in water, and, holding the ends of the cloth shake it to make the liquid come out. Put it back into the cauldron, in which butter or cream has been melted, add salt and caraway seed, and heat slowly, stirring with a board and stone.

RECIPE FOR SALT CUCUMBERS (*Skabeti gurki*)

Late cucumbers are particularly well suited for preserving. Choose firm cucumbers of an even size and wash them carefully. Prepare a large receptacle, which, to give added spice to the cucumbers, may be lightly covered with mustard on the inside. The herbs used are dill, horse-radish, garlic (if desired), tarragon, leaves of cherries and black currants. Cover the bottom of the receptacle with a thick layer of leaves and herbs, follow with a layer of cucumbers, and so on alternating, until the barrel is full. The last layer on top should be one of leaves and herbs, extra thick. Prepare a salt solution, taking 400 to 500 gr. of salt to every 10 litres of water and pour it over the cucumbers, so that they are entirely covered. Close with

lid and weight down with a stone. Seven to 10 days in a cool place should suffice to make the cucumbers ready to be eaten, and a shorter period in a warmer place. Glass and pottery jars should be used or, preferably, a wooden barrel.

BUBERTS (Dessert)

For 4 persons, take $\frac{3}{4}$ litre of milk, 150 gr. of flour (wheat), 2 eggs, 150 gr. of nuts, 60 to 75 gr. of sugar, lemon peel, vanilla.

Boil one half of the milk, then add the other half to which the flour has been added, by stirring, and boil again for about 5 minutes. Stir until cool and add yolks of egg beaten with sugar and vanilla, finely chopped nuts and lemon peel. Last of all add beaten whites of egg, stirring gently. Pour into a shallow dish and serve when cooled. With buberts jam or fruit sauce is served.

CRANBERRY SAUCE (*Dzervenu Kiselis*)

Take 100 to 300 gr. of cranberries, 150 gr. sugar, $\frac{1}{2}$ litre of water, 8 to 10 gr. potato flour.

Pour cold water on the cranberries, which should have been squashed beforehand, then let it boil. After passing through a sieve, add sugar, make boil once more and add the starch, dissolved in a little cold water. Pour into a jar and leave to cool.

SOUR MILK SOUP (*Skaba putra*)

For 4 persons, take 1 litre water, 50 to 75 gr. barley, $\frac{1}{2}$ litre buttermilk, 1 litre milk, 100 gr. sour cream.

The barley is washed and cooked (use cold water). When it is tender, let it cool off until it has a temperature of about 30° centigrade. Add the buttermilk, a little sour milk, the sweet milk and leave it to ferment in a warm place. After about 6 to 12 hours put on ice for the same length of time. Before serving, add the sour cream. This soup is eaten cold, with herring or bread and butter, or drunk in hot weather.

ECONOMIC LIFE

GENERAL REMARKS

Latvia's economic life before its independence was regulated not by the freely elected representatives of the Latvian nation, but by foreign economic, financial and political interests. In their own land the majority Latvian population (77%) was only tolerated, and was subjected to policies and laws made by strangers, and not for the benefit of the Latvians.

The railway tariffs, as well as the schedules and building of railways were regulated in the interests of Russia proper, as the hinterland for Baltic ports. Therefore no secondary railway lines were encouraged.

The shipping and foreign trade policy was also out of Latvian control. The largest part of Latvia's cultivated lands, pastures and forests, as well as the right to fish in lakes, to own mills, organize industries and commerce, etc., was in the hands of aliens.

The German-Balts were not interested in creating a strong class of Latvian landholders, but, to the contrary, in holding Latvians down as tenants, farmhands, servants and cheap industrial labor. City industries, commerce and banking were controlled by local national minorities with the help of foreign financial interests. Instead of developing local industries, the foreign businessmen preferred to export Latvian raw materials: timber, flax, hides, pulp, match splint, etc. The large Riga rubber, shipboiler, file, railway car, electrical and other industries were artificially created by foreign financial interests, who based their calculations on cheap local labor and the Russian foreign trade policy at that time. The Russians, in order to protect their own industries in Russia proper, Ukraine and the Urals, introduced a protective import tariff on certain industrial goods. The difference was worthwhile to try building up in Riga certain industries, which would obtain raw materials, such as coal and coke from England, much cheaper than by railway from Russia proper. Besides, Russia did not produce all high grade raw materials, like rubber, cotton, steel, colored metals, etc. In the beginning of the XX century Russia began to dump large quantities of its agricultural products on foreign markets, in order to obtain gold to be paid for machinery imported from abroad for industrialization purposes. Millions of tons of Russian timber, flax, hides,

grain, butter, etc., went through Latvian ports, presenting almost 30% of all Russian exports. At the same time Russia did not use all the obtained gold for imports. She endeavored to build up credit abroad to buy munitions. Usually the imports made about 65%-70% of the export sums. Thus ships coming into Latvian ports for Russian goods had free space, and consequently cheaper freight rates were available for some import raw materials. Besides, very often the same financial interests controlled shipping, Russian exports-imports and also the large Riga industries. There is no doubt that it was a profitable business, if calculating the difference on the import tariff, the cheap freight rate, and cheap local labor.

Having only limited finances and credits at their disposal Latvians played a minimum role even in local shipping, commerce and industries. Even the fishing industry could not be developed because of absence of cheap credits to buy motor boats and better nets, establish cold stores, and provide better transport facilities to cities. The same lack of credits and finances hampered the development of dairies, bettering of cattle breeding, increase of use of fertilizers and buying of more and better agricultural machinery. In general, lack of credit was felt in every layer of Latvian economic and cultural life. The invested foreign capital took all profits and also the local national minorities, backed by the Russian government, received their share. A large income went into the Russian treasury.

In 1913 Russia, according to official data, collected from Latvia a net surplus of State income of about 18 million dollars. This money (as well as the surpluses from Poland, Lithuania and Estonia) was used for Russian needs, for the development of Russian city life, Russian industries, Russian railways and roads, schools, etc. Latvians understood that no bettering of their own economic life was possible without achieving active control in Latvia's economic and financial policy. There were in Europe countries smaller in area than Latvia, such as Belgium, the Netherlands, Switzerland and Denmark which during their independence had achieved considerable prosperity. Most similar to Latvia in its climatic and topographic conditions is Denmark. The Latvian economist, Prof. K. Ballod (formerly of Berlin University, later at the Latvian University) was convinced that Latvia could, like Denmark, achieve a very favorable economic situation. He proved it by comparative statistics.

Latvian peat layers could produce 5 billion tons of dried peat for fuel, which would suffice to meet Latvia's heating requirements for 1,000 years. At the same time imports of coal would diminish, less timber would be used for heating and more could

be exported. The exploited peat marshes, if a sufficient layer of peat were left, could be cultivated into good agricultural land. Latvia, having larger forests than Denmark, could follow the latter's example in introducing better forest economy and produce more timber for export. Denmark having an area smaller than Latvia (16,576 sq. mi.: 25,700 sq. mi.) had nevertheless a larger cultivated area on which lived a considerably larger population than in Latvia (3.5 million as against 2 million). Denmark had fewer pastures but more cattle. It exported large surpluses of butter, bacon, eggs, meat and other foodstuffs. Its agricultural land yielded much larger crops than Latvia. It had also developed fishing on a larger scale. Denmark's merchant marine was one of the largest, and Denmark built its own motor ships. A country of small but free landholders, Denmark, thanks to zealous work, good education and long years of peace, became a well-to-do country, highly intellectual and socially progressive. Latvia has all the same possibilities as Denmark, and similar raw materials. Latvia, however, has better hydraulic generating possibilities than Denmark and could gradually develop rural, industrial and railway electrification. Its water power could be harnessed to aluminum plants, and plants for producing nitrates. Latvia does not need to import forage for cattle, grain for bread, and timber for building purposes. Also climatic conditions in Latvia are similar to Denmark (the difference is 2° centigrade in summer months), but Latvia's harvests are lower than those of Denmark owing to technical agriculture not being developed enough (draining fields, using artificial fertilizers, better machinery, cattle, seeds).

Prof. K. Ballod was of the opinion that Latvia can meet all these requirements and develop better agriculture if Latvia would be permitted to decide about itself.

To this fully agreed Latvian agronomists and intellectuals. In 1903 the most advanced Latvians had already demanded Latvia's independence and the election of a Constituent Assembly. Latvian finances should be controlled by the Latvians themselves, and Latvia itself should decide its economic policy.

It was a very well founded economical-political program, which actually became the basis of Latvia's national program in its struggle for freedom. Eventually, in 1920, after having signed peace treaties with Germany and Soviet Russia, Latvia at last obtained the possibility to realize its program unhampered, and achieved undeniable success. But before beginning to progress Latvia had to rebuild its economic life almost from the foundations. The large pre-war industries were no longer existant; all the machinery, stocked raw materials and goods were either evacuated by Russia in 1914 (30,000 railway cars of machinery alone) or taken by the Germans. 25% of

the cultivated area was fallow, 20% of the cattle were dead, of 734,732 agricultural buildings, 78,278 were completely destroyed during the war by retreating, ravaging cossacks. 104,576 were partly damaged. Also churches, schools, hospitals and other public buildings, such as railway stations, were destroyed. Railway bridges were blown up. Railway tracks were not repaired and the machinery was missing. The rolling stock, as well as engines, trolley cars and busses were either evacuated by the Russians or taken by the Germans. Gas and electricity works were idle, there were no available parts for repairing the machinery. Electric implements were lacking. There were no wares in stores, no seeds, no fertilizers.

Bank savings were also evacuated to Russia and never were paid back; fishermen had no nets and their boats were often wrecks; artisans had no instruments and materials; kilns did not work. Latvian ships were taken away, except for small tugboats. Latvia did not obtain reparations, nor were foreign credits available, the demanded interests being too high (often 12% was demanded), and mortgaging of forests and tariffs was also demanded as "collateral". But the Latvians now were free and their own masters in their own land. But they knew very well that they could expect nothing from abroad. They also knew that they could not indulge in trying to rebuild the former large artificial industries and become again pawns of foreign capital and the Russians. Their base was agriculture. Only local industries could be encouraged, and then only such as would have a sufficient domestic market and a market abroad, such as timber and foodstuff industries, plywood, paper, leather, etc. But the most important was to rebuild agriculture, and to restore the productivity of the majority population of the farmers, to partition the big estates, which like a bad tumor weakened Latvia's national economy. In order to prevent arbitrary cutting of forests the State took over all forests which had belonged to the owners of large estates. Next a financial reform had to be effectuated to stop inflation. Thus the first years of the independence of Latvia were devoted to rebuilding war losses. Only after that could one begin to make plans for higher economic development. The structure of Latvia's economic life demanded that a strongly realistic policy be applied, without expensive social experimentation. Private property should be the basic principle of Latvia's economy, in the city and in the country, in industries and trades. The State took over only those parts of national economy which were deficient and could not be rebuilt by private local capital, or in order to avoid becoming dependent upon foreign capital. Thus, for instance, the railways were taken over by the state except for several private narrow gauge railways of no national importance.

The state also took charge of highways, which formerly had to be repaired by farmers as a corvee. Similarly the state took over the ports and harbor establishments which had been mostly destroyed. The telegraph, telephone and radio were also taken over by the state and reestablished. The municipalities took charge of gas, electricity and water works and trolley lines.

In order to procure means for farmers to cover their expenses the state proclaimed buying and selling of crude alcohol a state monopoly (formerly it was primarily in the hands of Germans). No grain was permitted to be used for distilling alcohol but only potatoes, for which the farmers obtained ceiling prices. Similarly in order to help the farmer, the state introduced a law under which the state was the sole buyer of the flax crop. Thereby farmers gained better prices than from foreign agents, who were interested in maintaining low prices. Later the state also bought sugar beets to guarantee good prices for the farmer. The latter thus could calculate on a stable budget and became a good customer of local industries and artisans, and also a good taxpayer. In general, private initiative was encouraged in banking, farming, building, commerce, industry, fishing, shipping. Cheap state credits and long term mortgages encouraged new settlers.

The occupational distribution of the population in independent Latvia did not vary basically from pre-war times—only policy making and the finances were now in the hands of the Latvians themselves, and the landless were no longer forced to flock to the large artificial industries, where they were mercilessly exploited. The result was most beneficial for the Latvian majority population. However, also the national minorities had no reason to complain. They were treated justly and as equal citizens in economically self-supporting Latvia.

Occupational Distribution of Latvian Population

According to the census of 1930 the classification of the population by occupations was as follows:*

Engaged in agriculture.....	59% of the population
“ industry.....	13.5% “
“ commerce.....	6.4% “
“ transportation and shipping.....	4.5% “
“ Government or municipal service.....	3.2% “
“ domestic service.....	2.6% “
“ free professions.....	2.3% “
“ public health service.....	1.1% “
“ various.....	5.7% “

* A. Maldups. *Latvija skaitļos*. Published by the Latvian Government Statistical Office Riga, 1938, pp. 73-78.



Plowing and Harvesting. Designed by Z. Vidbergs

Occupational Distribution of Different Races in Latvia †

<i>Race</i>	<i>Percent of popula- tion</i>	<i>Percent occupied in agri- culture</i>	<i>Percent in industry</i>	<i>Percent in com- merce</i>	<i>Percent in transpor- tation</i>	<i>Percent in free profes- sions</i>
Latvians....	77.00	70.1	12.5	3.2	3.9	2.39
Jews.....	4.54	1.1	28.8	48.6	....	12.00
Germans....	2.96	16.0	26.8	19.7	4.1	17.00
Russians....	10.58	78.1	9.3	2.3	....	....
White-Russ..	1.33	75.5	10.0	1.2	....	....
Poles.....	2.22	46.9	24.0	....	....	....
Lithuanians..	0.65	50.0	20.0	10.0	....	....
Estonians....	0.42	25.0	50.0	5.0	....	....

† A. Maldups, op. cit., p. 66.

More than 50% of the total Latvian population were proprietors: farmers, house owners in cities, factory owners, ship-owners, etc.

The bulk of Latvia's population and particularly of the racial Latvians, was occupied in agricultural work. Also the majority of the population of the smaller towns was engaged in agriculture and gardening. In 1935 of all Latvia's inhabitants 63.50% lived in the country, of whom about 60% were engaged in rural work, which showed certain differentiations.

Among the Latvian farmers are to be distinguished grain-farmers, horticulturists, dairy farmers, stock-breeders, poultry farmers, seed cultivators, and sugar-beet farmers. Along the lakes, rivers and the sea-shore live fishermen-farmers.

Latvia had 237,500 farms in 1935, and almost every fourth adult male in Latvia was a farmer, but only about 20% of these farmers cultivated their farms with hired labor. Such farms were mostly dairy farms or truck farms. However, every farm had as its primary objective to supply means of livelihood for the farmer and his family, and, therefore, each farm cultivated grain, cattle, fowl, vegetables, and fruit. Vegetable gardens and orchards were very popular also in towns and suburbs of bigger cities.

Another group of rural inhabitants and inhabitants of small country towns is occupied in the rural industry which converts agricultural products into food stuffs and other goods. There are rural mills, bakeries, oil refineries, fish and meat preserving factories, slaughter houses, gut-factories and factories of preserved fruits, berries, vegetables, sugar refineries, distilleries, breweries, malt-factories, malt-syrup factories, potato-starch and syrup, bone-meal, casein, artificial horn, flax and hemp fibre, and spinning factories, weaving factories, basket and brush factories, tanneries, etc.—all located in the country.

The next group represents the different farmer-artisans or craftsmen: tailors, blacksmiths, carpenters, shoemakers, masons, cabinet-makers, coach-builders, coopers, saddlers, tanners, potters, etc., who also live permanently in the country or small country towns and have their lots. If we add to that the administrative personnel of the dairies, enterprises, etc., the country doctors, pharmacists, school teachers, agronomists, the pastors, clerks, merchants, etc.—who also have their farmlands—there is a rather imposing country population which existed from agriculture in Latvia. This was made possible thanks to the Agrarian Reform.

AGRARIAN REFORM

The historical bill of the Great Agrarian Reform of September 16, 1920, adopted even before the Latvian Constitution, provided lots from the State reserves of land, in the first place for the heroes of the war for Latvian independence, so that they could get what they had fought for; in the second place farmhands with families were considered, in the third—tenants, etc.

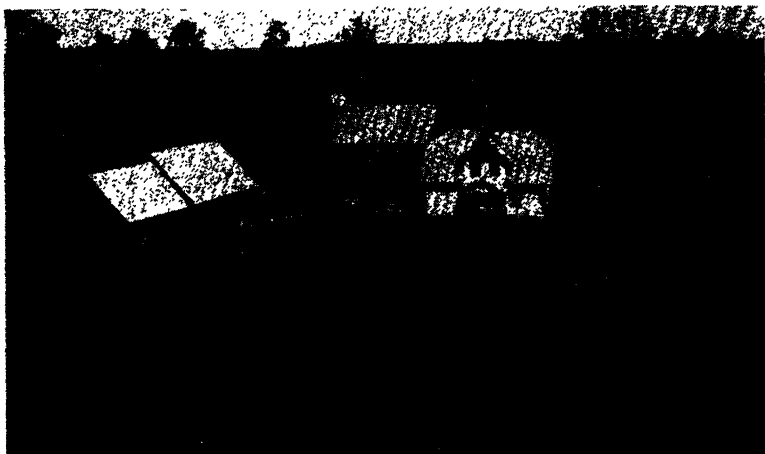
The bill of the Agrarian reform corrected an old injustice to the Latvian farmer, who, according to the views of P. Einhorn, a German pastor and Latvia's historian of the XVII century, was the real owner of the Latvian lands which were gradually expropriated from Latvians by German landed nobles by devious processes.*

In the XVII century in Vidzeme (then a part of Sweden), the Government of Sweden took Latvian peasants under its protection, established just courts, ordered the peasants to be freed from serfdom and bondage (1681), and reduced the estates of the landed German gentry who had appropriated five-sixths of the cultivated land illegally. In 1721 by the Treaty of Nystad the Swedish liberal action in Vidzeme was stopped by the Russian Tsar, and the forming of latifundiae continued.

The most detestable form of serfdom was then introduced in Vidzeme. High grain prices after the Napoleonic wars were instrumental in evoking in the landed nobles a greed for more cultivated land, and they even agreed to free the serfs in order to possess their lots (1817–19). However, the freed serfs were compelled to continue to be tenants and farmhands. Where else could they go? They were permitted to flock to cities only in 1830. At that time grain prices were low, and the nobles were eager to raise more sheep. Then instead of the corvee money leases were introduced. Eventually the nobles, short of income, began to sell farms to their tenants.

Thus the Latvians were compelled to buy their own lands back from the German nobility, through the bank of the German nobles which charged 6% for mortgages. Even in this hard way, in 1913 the Latvian peasants had succeeded in redeeming 39.4% of all Latvian arable land. However, private estates, 1,338 in number, still in 1918 occupied 48.1% of the area, the Government owning 10%, the churches 1.1%, and the remainder belonging to municipalities. The masses of landless peasants were in distress. The few industries could not absorb the surplus farmhands.

* P. Einhorn. *Historia Lettica*. Dorpat 1649, Reprinted in *Scriptores rerum Livonicarum*, Volume II, Riga, 1848, p. 602, § 61.
A. Schwabe. *Agrarian History of Latvia*. B. Lamey, Publisher, Riga, 1928.



Farm of New Settler

The first World War suspended for awhile the impending crisis, but after the destructive war, conditions became more acute and intolerable. The sole answer to the situation was the creation of small land holdings to provide farmers with the possibility of living. This was achieved by the Latvian Constituent Assembly. The adopted agrarian bill stipulated that all estates larger than 110 ha (in swampy Latgale larger than 250–300 ha) should be taken over by the State Land Fund. Only in exceptional cases could larger units be preserved as private property, particularly if they were model farms, university farms, etc. The State Land Fund also included State domains, forests, and estates belonging to different public institutions and municipalities.

The owners of the big properties exceeding the legal limits retained farms of about 50 ha of arable land (123.5 acres), with the necessary farm buildings, cattle and other inventory.

The so called “new farmers” received an area of land suitable for agriculture, not exceeding 22 ha (54.3 acres), to which 5 ha of unarable land (for pastures) and 3 ha of forests might be added, if available.

The total area of the State land pool amounted to 3,396,815 ha. With this land 92,588 new agricultural undertakings and holdings were established. 9,754 former agricultural units were allotted to former tenants of the units (as their private property).

For the purpose of enlarging dwarf properties 50,539 parcels of land were allotted. The recipients had to pay for the allotted land to the Government, but received long terms, and also cheap credits for building construction, seeds, etc. Meanwhile all forests, excluding those owned by farmers, were taken over

by the State in order to protect them and to organize reforestation and better forest conservation. The government income from forests greatly alleviated the taxpayers.

As a result of the Latvian Agrarian Reform there were in Latvia, in 1935, about 237,500 agricultural units, as against 150,000 before the reform.¹

¹ The *Latvian Economist*, published by the Ministry of Finance, Riga, 1938, p. 40.

Farm Properties in Latvia

	<i>Percent</i>	<i>Number</i>
Up to 10 hectares ²	35.8	84,937
From 10 to 20 ha.....	32.7	77,463
From 20 to 30 ha.....	14.9	35,345
From 30 to 50 ha.....	10.2	24,226
From 50 to 100 ha.....	6.0	14,327
Larger than 100 ha.....	0.7	1,052
	<hr/> 100	<hr/> 237,350

² One hectare equals 2,471 acres.

The last category includes seed-selection farms, model farms, horse and cattle-breeding enterprises owned by the State, municipalities, and also by private persons, if considered as of public interest.

Of every 100 farms (on the average):

80	were cultivated by the family of the owner;
8	“ “ “ “ tenants;
2	“ “ “ “ share-croppers;
10	“ “ “ “ with the aid of farmhands.

It should be noted that the Latvian agrarian system was based upon the principle that each farm is an individual unit and that the farmer, his family, and the farm hands must support themselves from this unit. For this reason agriculture in Latvia was highly intensive; the farmers produced all the food for themselves and their cattle, flax for their linen, wool for clothing, and leather for footwear and other needs. It is an old tradition that each Latvian farm must be self-supporting, just as it is an old tradition in the provinces of Kurzeme, Zemgale, and Vidzeme that farms must not be split up.

As is evident from statistical data, however, farms had been split up, particularly in the districts of Latgale near the Russian border. In order to remedy this, the Agrarian Law of 1922 stipulated that farms smaller than 25 acres could not be divided among heirs. Even this standard, however, proved to be too low, and the new Agrarian Law of 1938 provided that farms smaller than 112 acres could no longer be divided.

The principle of not splitting up peasant property was also established by the new Latvian Civil Code. The pertinent articles of this new Civil Code (741-751) did not grant any privileges to the eldest son (as for instance, in Germany), but the father could leave the farm to his son or daughter, either of whom had shared the work with him. The remaining heirs who went to cities or chose some professions could receive their inheritance in money, but maximum only to two-thirds of the value of the farm. Had any of the heirs received a higher than primary education, the sum paid for this education was deducted from their share. If it was possible to cut off a part of the farm—provided the farm was larger than 112 acres—preference was given to the heir who was most capable of paying the other heirs their share in money (as, for instance, in Sweden). The law also provided that the court could set a longer period of time for the payment of these shares, up to 10 years. If the general heir to the farm wished to sell it before 10 years had elapsed, the right of preemption belonged to the other heirs, who could purchase it together. In general, the law attempted both to hinder the splitting up of farms and to maintain their productive capacities. For this reason preference was given to the tiller of the soil and not to the eldest or richest son who could pay off the other heirs immediately but who, at the same time, might have sold the farm to strange people.

The law also protected the share of orphans. A widow could receive only one-fourth of two-thirds of the value of the farm as evaluated by a respective jury. If she married again, her children by the second marriage could receive no more than her share. The same applied to a widower; if he married again, his children of the second marriage could inherit only one-fourth of two thirds of the value of the farm, i. e., the father's share.

Finally, the law provided for the possibility of the parents making the farm over to the heirs during their lifetime, in accordance with certain stipulations of the law. In such cases the heir had to undertake to support his parents until their death, building them a separate home, etc.

Latvian laws had as their purpose to insure the continuity of farm-owning families in Latvia. It was the wish of the Latvian government to create such conditions as would induce people to remain and live in the country. For this reason the government issued also special subsidies for the construction of homes for farm hands, which were to be built in accordance with blueprints approved by the government. A great deal was done to provide good roads, agricultural machinery, rural electrification, good seed, cattle, cheap credit, etc., to increase the incomes of farmers, and to make life more attractive and culturally worthwhile.

PRODUCTION AFTER THE AGRARIAN REFORM

According to the 1935 census, agricultural production had considerably increased, and the area of arable land and orchards exceeded by 22 percent that before the Agrarian Reform.

In comparison with pre-reform figures, those for 1937 showed the following increase:

	1913	1937	Percent of increase
Horses.....	320,000	391,000	20
Cattle (cows).....	912,000	1,209,000	40
Pigs.....	557,000	739,000	44
Sheep.....	996,000	1,334,000	36
Fowl (1929).....	2,014,000	4,125,000	100
Grain, produced in tons.....	815,000	1,245,000	50
Wheat (in tons).....	38,000	281,000	425
Sugar beets (1929, in tons)...	21,000	279,990	(more than 10 times)

Increase of average production in the period 1928-30 to 1934-38

	Percent		Percent
Grain.....	50	Sheep.....	38
Potatoes.....	100	Horses.....	8
Cattle.....	24	Milk.....	44
Pigs.....	54	Meat.....	50

Increase of yield per ha in 1934-1938

	Percent		Percent		Percent
Rye.....	47	Wheat.....	21	Potatoes.....	63

Erected Buildings

Between 1920-1930.....	355,000
1930-1937.....	86,000

Use of Agricultural Machinery

	Plows	Mowing machinery	Tractors	Milk separators
1920.....	309,000	12,130	129 (1923)	71,822
1937.....	485,000	49,031	616	112,279

Artificial Fertilizers Used (In tons)

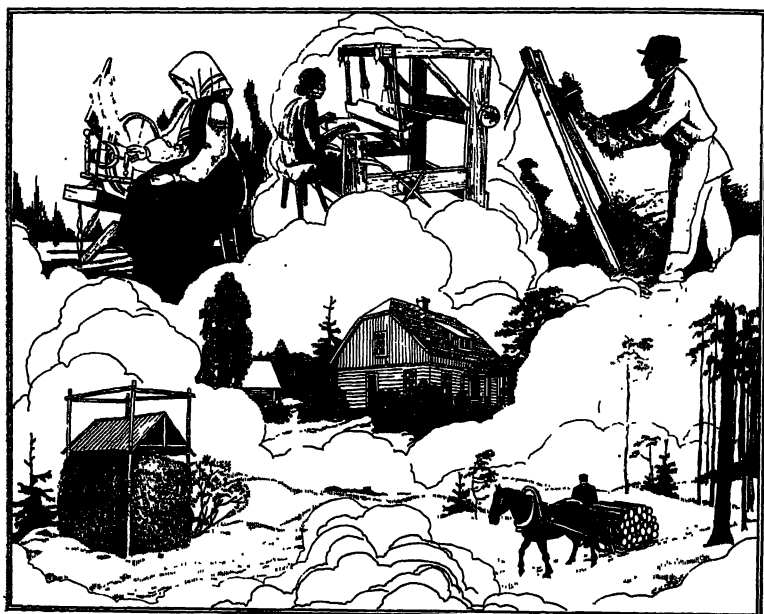
1922-23.....	21,000
1937.....	230,000

Per Capita Production in Kilograms

	<i>Bread grain</i>	<i>Milk</i>
1909-1913.....	150	360
1934-38.....	280	840

Dairies used Milk for Producing Export Butter (in tons)

1914.....	36,000
1938.....	726,000



Farm Life in Latvia. Designed by Z. Vidbergs

AGRICULTURE

The most important place in Latvia's national economy was held by agriculture, which procured 40% of Latvia's national income, about 35% raw materials for the local industries, and the greatest part of Latvia's export. The farmers also paid the largest part of taxes, absorbed locally produced and imported goods, and thus were the power balancing Latvia's welfare.

The distribution of land in Latvia was very favorable for agriculture. In 1939 about 60% of the land was cultivated. 29% was forests, the rest peat marshes, sandy tracts and rivers and lakes.

Latvia's government made incessant efforts to raise the standard of rural life. The Ministry of Agriculture had within its competence the drafting of laws relating to agriculture, the exploitation of land, forests, and waterways belonging to the State, measures for the promotion of agriculture and fisheries, matters connected with the agrarian reform, and veterinary questions. In March 1935 the Chamber of Agriculture was created in order to promote the development of agriculture and uphold its interests, to encourage individual initiative, activity and mutual aid, and to raise the standard of rural life in general. During its brief existence (1935-1940) the Chamber of Agriculture greatly developed its activities and dealt with problems previously unknown.

The Chamber of Agriculture was composed of persons elected by the local rural population of the country districts. Its wide sphere of action was divided among fifteen sections, whose specialists often worked on the spot. Valuable assistance was afforded it by the agricultural societies which existed in each of the 517 rural communes, and which, with the help of experts on live-stock, horticulture, apiculture, etc., spread agricultural science and better methods by means of lectures, advice, excursions, practical demonstrations, etc.

The government's solicitude for rural life did not stop there. In March 1937 a "Rural Life Committee" was attached to the Chamber of Agriculture in order to seek means of raising the standard of rural life on the basis of the recommendations made and wishes expressed at the meetings held during the "farmer days" and other meetings. This committee included representatives of government, municipal and private institutions, and of credit institutions and economic organizations, and was thus assured of a very wide sphere of action.

IMPROVEMENT OF THE SOIL

Latvia consists mainly of diluvial soil, brown earth, "pod-sols", and peaty soil (marshy mineral soil, mossy and grassy peat deposits). According to Professor P. Nomals (of the University of Latvia), 9.2% of the area of the country is marsh. Grey sandy soil is generally accompanied by marshy soil. Among cultivable soils, mention should be made of improved "pod-sols", transformed marshy soils, and a number of artificial soils.

A large area consists of soils as yet unformed or imperfectly formed, such as the moving dunes of the Baltic coast, and numerous sandy tracts, which necessitate considerable improvement works.

As soils of grey sand, peat, and ordinary sand occupy a large area, a good harvest calls for a great deal of effort and skill on the part of the farmer. Although large-scale drainage works have been completed, and in some places, especially in the plain of Zemgale, the soil has already been improved, a great deal of work is still necessary. The principal factors adverse to crops are these:

1. Many soils contain too much moisture. According to estimates, a third of the fields (600,000 hectares), three-quarters of the meadows, and a quarter of the pasture-land require drainage.
2. The soil contains too little calcium and is too acid, a phenomenon which is common in grey sandy soils. Professor Bamberg (of the Latvian University) estimates that 35% of the arable area needs deacidification.
3. Special attention has to be devoted to the improvement and manuring of the soil, a matter of particular importance for land of poor quality.

Little was done before Latvia's independence in this direction. The small works constructed to regulate waterways and the drainage canals which were dug deteriorated during the first World War. Minor drainage works were also comparatively rare. Hence the construction of drainage works proved to be one of the principal tasks of the government of independent Latvia.

In order to hasten the drying process, and to make the soil cultivable, new ditches had to be dug, and the old ones had to be renewed. The courses of rivers and streams had to be regulated, as they often overflowed and turned their surroundings into swamps. These regulation works were, for the most part, carried out by the State. The number of dredgers belonging to the Government were gradually increased to thirteen. The farmers took an active part in the construction of land-drains.



Scenery in Latgale

Immediately after the war, a new legal and economic basis had to be created for the new improvement works. The laws of old Russia were inadequate, and in 1925 the Government issued provisions regulating this question. In the same year instructions were issued, subsequently supplemented and modified, regarding subsidies granted by the State for the improvement of the soil.

Land improvement societies were unknown before the first World War. They enabled the individual farmer to take part in common improvement works of benefit to himself. There were 2,300 such societies in existence in 1939, with a membership of 70,000 farmer-owners. Their expenses were covered mainly by loans from the State Agrarian Bank, which charged interest at $\frac{1}{2}\%$ *per annum* for three years; such loans were usually extended for a further three years at 2%. The loan was repayable when the improvement works had been completed, and the owners taking part had to pay their share either in cash or convert it into long-term loans at 2% for twenty-eight years.

In the last twenty years, the following works were carried out:

	Surface drained		Cost of works
	Kilometres	Hectares	Lats
1. Watercourses dredged.....	540	120,950	11,982,152
2. Drainage ditches newly dug and regulated by the improvement societies.....	13,400	332,500	14,412,193
Total.....	13,940	543,450	26,394,345

The regulation of the courses of rivers and the system of canals and drainage ditches enabled the owners to drain their lands.

Minor improvements were left to the private initiative of each farmer. Plans for such works were generally drawn up by the civil engineers of the Chamber of Agriculture or the appropriate section of the Ministry of Agriculture. Earthenware drain-pipes were supplied to farmers on favorable terms, including the cost of carriage. The number of drain-pipes so supplied was increasing yearly, and in 1938 attained a total of 10,000,000. Altogether, 30,000,000 drain-pipes of different dimensions were sold to agriculturists up to 1938.

The following figures show the development of minor improvement works:

	<i>Plans prepared</i>	<i>Ditches dug or drains traced (kilometres)</i>
1918-1934 (16 years).....	147,480	15,690
1934-1938 (4 years).....	68,470	14,000
Total.....	215,950	29,690

These figures show that minor improvement works greatly developed in the last few years prior to 1940. Altogether, an area of 100,000 hectares were drained at a cost of 20,000,000 lats to agriculturists.

In certain parts of Latvia, the fields are full of stones. In order to help farmers to clear their fields, the government in 1937 drew up regulations concerning grants for the clearing of fields in the north-western part of the district of Valmiera (in northern Latvia). In response to numerous petitions from farmers, the application of these regulations to the whole of Latvia was under consideration.

Much still remained to be done in this sphere, however, especially in making the cultivation of poor sandy soils profitable with the help of green manure and peat, and in de-acidifying the soil.

IMPROVEMENT OF VEGETABLE AND ANIMAL PRODUCTION.

The intensification of agricultural production is shown by the harvests:

	<i>Average Harvests in Quintals per Hectare</i>			
	1909-1913	1920-1924	1934-1937	1937
Winter rye.....	9.3	8.6	13.7	14.7
Winter wheat.....	12.4	10.6	14.6	13.7
Summer wheat.....	8.2	8.0	11.0	11.3
Barley.....	9.1	8.3	10.8	12.0
Oats.....	9.1	8.2	11.2	12.1
Potatoes.....	80.3	90.1	131.8	140.2



Typical RIJA-riya—or Barn
(From RIJA is Derived the Name of Riga)

Not only the average crops per hectare, but also the total crops of the country, had increased. The total area of arable land rose from 1,729,628 hectares before the first World War to 2,113,684 hectares in 1935. The increase in the cereal crops spared Latvia the necessity of importing wheat for bread. Until 1930, the annual imports of rye and wheat amounted to 100,000 to 200,000 tons; but by 1933, not only had imports ceased, but they had been replaced by exports. From 1933 to 1937, 250,000 tons of cereals, chiefly rye, were exported. In years of bad harvest, however, a certain quantity of wheat had to be bought abroad.

Considering the crops that were harvested by the more efficient undertakings, the average crops of the country were still relatively low, and could be substantially increased. For example, the production of sugar-beet for industrial purposes, which only amounted to 21,000 tons in 1929, reached 338,000 tons in 1934, and could have been further increased if the home sugar market, which was already saturated, offered greater scope. Similarly, the growing of vegetable seeds, fodder-plants, tobacco, and medicinal plants had considerably developed.

The breeding of *live-stock* suffered even greater ravages during the war than agriculture. A large proportion of the flocks and herds were requisitioned by the military or civil authorities or succumbed to epizootic diseases; the quality deteriorated, owing to the lack of fodder and the cessation of the activities of the co-operative breeding organizations. After the war, a rational organization of breeding had to be

undertaken, with special attention to the improvement of the quality of the fodder and of the breeds. An important part was played in this work by the breeding inspection societies and the breeding-stations. In 1937 there were 777 inspection societies, owning 1,186 breeding-stations, which provided a surplus of breeding animals for export to neighboring countries.

The success of the rationalization of the breeding of milk-cows is shown by the average yield of the herds subject to the, supervision of the inspection societies.

Annual Yield per Cow

	<i>Milk (Kilograms)</i>	<i>Percentage of fat</i>	<i>Fatty matter (Kilograms)</i>
1918.....	1,874	3.88	72.7
1920.....	2,000	3.87	77.4
1934.....	2,555	3.92	100.2
1937.....	2,748	3.92	107.7

The development of dairy production is shown by the increase in butter exports:

Butter Exports

	<i>Kilograms</i>		<i>Kilograms</i>
1921.....	15,164	1933.....	15,646,300
1925.....	7,124,245	1934.....	15,700,899
1928.....	12,960,223	1935.....	16,822,388
1929.....	15,066,391	1936.....	17,301,225
1930.....	18,074,157	1937.....	19,219,882
1931.....	18,741,996	1938.....	23,457,006
1932.....	18,609,282		

Side by side with the extension of the network of dairies there was a development of pig-breeding, which is explained by the fact that skim-milk and various forms of dairy waste were utilized for pig feed. The number of pigs rose from 481,000 in 1920 to 739,300 in 1937. The home market being unable to absorb all the products of this branch of live-stock, they began to be exported as early as 1920. In accordance with the requirements of foreign markets, the development of pig-breeding was directed towards improvement in the quality of bacon. The good results achieved were due to the formation of pig-breeding inspection societies and the establishment of breeding stations. Exports were developed, chiefly in more recent years; their value increased by 1,920%. Thanks to the development of pig breeding, imports of animal fats completely ceased. A few years ago they cost Latvia a considerable sum in foreign currency (in 1929, 2,068,791 kg., valued at 2,345,633 lats).

SHEEP

Sheep-rearing had remained almost completely outside the orbit of the general progress of agriculture in Latvia. It was practised only for domestic requirements, but, thanks to the encouragement of the Chamber of Agriculture and to government subsidies, interest in this branch had increased to such an extent that considerable quantities of wool were sold to local industry. By providing rams for breeding purposes and creating establishments for the breeding of pure strains of sheep, it was possible to improve their appearance, their weight, and their wool.

Number of Sheep and their Wool Output

<i>Year</i>	<i>Number of Sheep (in 1000)</i>	<i>Total Wool Output (Metric tons)</i>	<i>Wool Output per Sheep (in kg.)</i>
1925.....	1,196.0	1,528.0	1.28
1933.....	1,114.3	1,840.6	1.65
1934.....	1,208.9	2,074.4	1.71
1935.....	1,346.7	2,361.9	1.75
1936.....	1,351.6	2,391.2	1.76
1937.....	1,334.0	2,551.2	1.91

In order to improve local sheep strains, use was chiefly made of Shropshire and Oxfordshire rams.

POULTRY FARMING

Among other branches of agriculture worthy of attention, mention should be made of the most recent—poultry farming—in which special care was taken to improve the quality and output. From 1920 to 1937, the number of poultry increased by 396%, and the importation of eggs had ceased. Since 1932 it was replaced by exports of double the quantity previously imported. The average output of the hens increased by about 57%.

INCREASE OF DOMESTIC ANIMALS

The general development of livestock breeding is illustrated by the increase in the number of domestic animals. As compared with the average from 1925 to 1934, the number of horses increased by 7.5%, that of cattle by 16.5%, that of pigs by 32.99%, and that of sheep by 26.33%.

IMPROVEMENT OF CROPS

Bearing all the possibilities in mind, the institutions and persons at the head of affairs were carrying on concerted action for the improvement of crops without resort to resources other than those possessed by rural undertakings themselves.

One of the means of achieving this consisted in obviating the losses which might be caused by inappropriate treatment of the present crops.

Thus, the damage caused by weeds and insect pests was estimated at a third of the value of the crop, or 77 million lats. A danger particularly to be feared is oat rust; snow mildew of winter rye and wheat sometimes destroys 60% of the winter crops. Rust of oat-leaves reduces the crop by 20%, even in normal years. Potato rot destroys about 25% of the crop in the fields and 10% in the stores. By overcoming all these diseases and insect pests, it would be possible, in present conditions of production, to increase output by 35%. Several methods of protecting plants, moreover, do not require any capital outlay. For example, to reduce the damage caused by rust, it would be sufficient to destroy the plants which propagate parasites. Similarly, it would be desirable to observe the first sowings and to make a reasonable use of fertilizers, and also to pay special attention to the assortment of seeds used and their treatment with copper sulphate.

The annual loss to agriculture as a result of the inappropriate treatment of manure is estimated at 12 million lats, or 20% of the total value.

Another fault observed in the cultivation of the soil has led to the adoption of the watchword "Plough your land in autumn". Sometimes, too, farmers are unaware of the great importance of draining off the water in spring. Rational cultivation might increase the output by 35%, without any additional capital outlay.

The struggle against weeds is a task which cannot be too much impressed on farmers, for the damage they cause reduces the value of the crop by from 20 to 240 lats per hectare.

As already stated, an increase in agricultural output can be attained by the labor and capital available in the country; but success in this task required the co-operation of the whole population.

Many farms are capable of producing better crops without resorting to loans. Capital can be created by thrift, hard work, and rational methods. Once capital has begun to accumulate in an undertaking, resort to credits, even on a large scale, becomes allowable, since production is clearly being carried on by correct technical methods and directed on rational lines. In a considerable number of undertakings, the standard of which is not above the average of agricultural development, the yield might often be increased by various improvement works in the narrower sense of the term, such as drainage, the rational use of chemical fertilizers and the mechanization of agriculture.



Typical "Klets" or Farmer's Storehouse in Kurzeme

EQUIPMENT

The process of economic development and the increase in production had led to a considerable shortage of labor in Latvian districts. To remedy this, the Government had endeavored, to encourage the wider utilization of agricultural machinery in rural undertakings. The Chamber of Agriculture also conducted active propaganda in favor of the employment of rational methods, both in the organization of undertakings and in farm work. The Government subsidies were not the same for all machines. For those in more common use, they represented about 10% of the selling-price, while for machines little known in local practice, but likely to intensify the output considerably, such as reaper-binders, they amounted to about 40% of the price. Thanks to these measures, the number of agricultural machines sold was increasing considerably.

In order to improve the quality of the machines manufactured within the country, and to prevent the introduction of inferior foreign machines, the Government in 1936 enacted a law on the inspection of agricultural machines. By this law the Ministry of Agriculture and the Chamber of Agriculture were empowered to examine in their testing shops the quality of all machines and tools and spare parts offered for sale on the local market.

Machines found to be of low quality were not admitted from abroad; in the case of machines manufactured in Latvia,

the producers were required to improve them, and to withdraw the rejected machines from circulation.

Local production had been confined to the manufacture of the simplest machines. However, in 1932 a large enterprise for the manufacture of agricultural machinery (the "Tosmare" Limited Company) was created.

As certain machines are used by the farmer for only a comparatively short period, and do not justify the cost of purchase, such as big seeders, stump-extractors, meadow-ploughs, moulds for silos, depots of such machines were established in a cooperative way. On January 1, 1938, there were 264 such depots attached to the agricultural societies.

The following table shows the extent to which rural undertakings were provided with agricultural machinery.

Number of Agricultural Machines in Rural Undertakings

	<i>Number of undertakings requiring machines</i>	<i>Number of Machines in 1937</i>	<i>Percentage of undertakings supplied with machines</i>
Sowing machines	95,365	3,758	3.93
Manure spreaders	11,497	1,295	11.26
Reaper binders	95,365	24,934	27.20
Mowing machines	95,365	48,997	51.38
Horse harrows	95,365	38,017	39.86
Potato diggers	11,497	6,405	55.71

These figures show the deficiencies that still exist in the mechanical equipment of rural undertakings. To make good these deficiencies, five-year loans could be obtained from the Farmers' Credit Bank.

The rationalization of agricultural work and the improvement of mechanical equipment were matters which engaged the special attention of the Ministry of Agriculture. The latter had created for this purpose a *Research Institute*, which had remarkable success.

BRANCHES OF INDUSTRY HANDLING AGRICULTURAL PRODUCTS

As Latvia is not rich in minerals, agricultural products constitute the chief basis of the country's industries. Developments in the branches of industry handling agricultural products naturally increase the farmer's income, thereby enabling him to improve his working conditions and his general standard of living.



Windmill in Kurzeme

Industrial concerns meeting the needs of agriculture existed both in the countryside and in the towns. The figures given below accordingly relate to all those branches of industry which handle agricultural products.

The branches of industry which convert agricultural products into foodstuffs put on the market in 1937 goods to the gross value of 137,203,000 lats, or 21.5% of the total gross output of Latvian industries. The gross value of the output of industrial concerns which use raw materials supplied by agriculture and convert them into goods other than foodstuffs was 40,956,000 lats in 1937—i. e., 6.4% of the gross value of the output of all branches of Latvian industry. The total figure for the branches of industry handling agricultural products thus was 178,159,000 lats, or 27.9% of the total national output of 636.8 million lats.

The following table shows that 1,858 industrial undertakings—i. e., 32.5% of 5,717—the total number of industrial undertakings in Latvia—were concerned with the treatment of raw materials produced by agriculture. They employed 16.3% of the 111,917 persons employed in industry, and the value of the raw materials used by these branches of industry in 1937 was 126,297,000 lats, or 37.3% of the value of the raw materials used in industry as a whole.

BRANCHES OF INDUSTRY HANDLING AGRICULTURAL PRODUCTS IN 1937

<i>Branch of Industry</i>	<i>Number of under- takings</i>	<i>Number of persons employed</i>	<i>Value of raw materials</i>	<i>Gross value of output</i>
<i>(a) Conversion of Agricultural Products into Foodstuffs</i>				
<i>(In thousands of lats)</i>				
Mills.....	900	2,459	....	6,955
Bakeries.....	187	1,855	10,646	14,150
Factories producing macaroni, spaghetti, etc.....	7	120	450	629
Factories preserving fish.....	13	481	1,434	2,582
Factories preserving meat....	168	1,347	9,926	12,418
Gut factories.....	6	97	469	641
Slaughterhouses.....	11	392	7,039	8,830
Dairies.....	313	2,961	52,856	62,236
Factories preserving fruits, berries, and vegetables....	13	270	519	955
Potato starch and syrup factories.....	26	214	1,168	1,643
Sugar refineries.....	3	1,467	10,870	14,196
Distilleries.....	59	603	3,625	5,489
Malt factories.....	5	17	96	139
Malt syrup factories.....	1	12	28	46
Breweries.....	28	858	1,895	6,294
Total.....	1,740	13,153	100,521	137,203
<i>(b) Conversion of Agricultural Products into Other Goods</i>				
Oil refineries.....	13	362	4,535	6,660
Bone meal.....	3	128	327	945
Industrial fats and meat meal.	6	22	118	202
Casein, artificial horn.....	1	92	591	1,537
Tanneries.....	63	1,056	10,832	15,198
Flax and hemp fibres.....	6	271	337	628
Flax spinning and weaving...	9	2,985	8,810	15,123
Baskets and brushes.....	17	221	366	663
Total.....	118	5,137	25,776	40,956
Grand Total.....	1,858	18,290	126,297	178,159

The following table, which gives the figures for 1936 and 1937, shows the increase in the industrial output.

(a) *Branches of Industry Converting Agricultural Products into Foodstuffs*

	<i>Production</i>	
	<i>1936</i>	<i>1937</i>
	<i>Metric tons</i>	<i>Metric tons</i>
Mills:		
Rye.....	151,577	157,332
Wheat.....	104,683	109,267
Barley.....	56,779	51,873
Oats.....	101,677	102,484
Meslin.....	89,086	94,623
Bakeries:		
Rye flour.....	15,577	18,974
Wheat flour.....	12,626	13,677
Factories producing macaroni, spaghetti, etc.:		
Wheat flour.....	687	1,006
Factories preserving fish:		
Fish.....	....	2,058
Factories preserving meat:		
Meat, various.....	....	12,101
Slaughterhouses:	<i>Number</i>	<i>Number</i>
Cattle.....	128,820	131,447
Calves.....	175,102	204,326
Sheep.....	127,772	148,925
Pigs.....	177,475	209,333
Dairies:	<i>Metric tons</i>	<i>Metric tons</i>
Milk.....	575,927	643,182
Factories preserving fruits, berries and vegetables:		
Berries, fruits.....	....	982
Factories producing potato starch and syrup:		
Potatoes.....	18,236	22,208
Sugar refineries:		
Sugar beets.....	244,148	282,954
Distilleries:		
Potatoes.....	68,475	75,579
Malt factories:		
Barley.....	....	496
Breweries:		
Barley.....	2,368	3,146

(b) *Branches of Industry Converting Agricultural Products into Other Goods*

	<i>Production</i>	
	<i>1936</i>	<i>1937</i>
	<i>Metric tons</i>	<i>Metric tons</i>
Oil refineries:		
Linseed (local).....	9,000	8,759
Bone meal factories:		
Bones.....	8,901	4,082
Factories producing industrial fats:		
Meat meal.....	822	824
Factories producing casein, artificial horn:		
Milk casein.....	1,022	2,485
Tanneries:	<i>Number</i>	<i>Number</i>
Hides of cattle.....	202,000	200,000
Hides of calves.....	128,000	177,000
Sheepskins.....	247,000	305,000
Factories for the treatment of flax and hemp:	<i>Metric tons</i>	<i>Metric tons</i>
Flax fibre.....	2,588	2,032
Flax spinning mills and weaving mills:		
Flax and hemp.....	4,961	4,197
Workshops manufacturing baskets and brushes:		
Pig's bristles.....	2.2	4.8
Horsehair.....	5.9	7.1
Textile factories:		
Uncarded wool (from local sources).....	....	1,500

Other branches of industry—e. g., the timber industry and the branches handling minerals—are also closely connected with rural life.

CRAFTSMEN AND HOME INDUSTRIES

Craftsmen play an important part in the economic life of the country districts.

In 1935 there were 41,096 shops conducted by craftsmen, 17,912 of them being in rural districts. In these undertakings worked mostly the owners with their families; only 9,606 salaried workers were employed.

The following table gives an idea of the various branches in which craftsmen were engaged in 1935:

	<i>Num- ber of under- takings</i>	<i>Per- sons em- ployed</i>	<i>Turnover in thousands of lats</i>		
			<i>Goods pro- duced</i>	<i>Work done to order</i>	<i>Total</i>
Total.....	41,096	54,827	13,530	29,422	42,952
Percentage.....	100.00	100.00	100.00	100.00	100.00
Of this total, there were in country districts.....	17,912	21,660	1,981	7,671	9,652
Percentage.....	43.59	39.51	14.64	26.07	22.47
Branch:					
Tailors.....	3,773	4,295	4	1,420	1,424
Blacksmiths.....	3,521	4,211	133	1,774	1,907
Carpenters.....	1,741	2,543	....	1,065	1,061
Shoemakers.....	1,462	1,582	120	515	634
Masons.....	1,446	1,874	....	701	705
Cabinetmakers.....	1,316	1,492	92	592	684
Joiners.....	784	898	23	374	397
Coachbuilders.....	739	818	60	277	332
Coopers.....	229	247	44	50	97
Saddlers.....	205	221	28	76	104
Tanners.....	189	245	64	103	167
Potters.....	138	195	80	2	85

VARIATIONS IN YIELD

Agriculture began to revive in the budgetary year 1932-33, which marked the end of the economic depression, and this upward movement became more pronounced in 1934, the year in which the regime of National Unity was introduced. The prices of all the principal economic products were guaranteed, and this had the effect of stimulating agriculture and making it profitable once more. Not only did the capital invested in agriculture begin to bear interest, but agriculturists themselves obtained an adequate return, which increased the national revenue as a whole. This development is illustrated by the following figures, showing the yield of agricultural undertakings:

<i>Year</i>	<i>Net yield per hectare of cultivated land</i>	<i>Net yield as percentage of capital invested</i>	<i>Value of Crop per hectare (price paid by the first purchase)</i>	<i>National revenue per hectare of cultivated land (price paid by consumer for the crop per hectare of culti- vated land)</i>
	<i>Lats</i>		<i>Lats</i>	<i>Lats</i>
1927-28.....	+18.63	+3.17	64.52	108.34
1928-29.....	-9.47	-1.56	35.66	79.61
1929-30.....	+24.30	+3.97	69.55	110.16
1930-31.....	+14.88	+2.25	54.26	99.27
1931-32.....	+17.98	-2.83	22.61	59.07
1927-32.....	+5.09	+0.82	48.43	90.53
1932-33.....	+4.20	+0.71	40.51	67.94
1933-34.....	+22.61	+3.85	56.40	88.07
1934-35.....	+19.46	+3.80	52.27	84.24
1935-36.....	+16.51	+2.77	48.48	81.41
1936-37.....	+27.05	+4.52	61.63	96.59

The variations in the agricultural yield were influenced by the fact that the market for agricultural products had not yet been completely regulated.

The following table shows the development of agriculture according to the index of purchasing power reduced to the value of agricultural products (1927-1931=100).

<i>Year</i>	<i>Index of purchasing power reduced to the value of agricultural products</i>
1932.....	72
1933.....	88
1934.....	82
1935.....	82
1936.....	86
1937.....	..

ORGANIZATION OF MARKETS

The steps taken by the Government to regulate markets included the introduction of ceiling prices for certain agricultural products and measures to improve the quality of products or to stimulate their marketing or export; ceiling prices were also imposed on products of importance to agriculture, such as chemical fertilizers, certain building materials and agricultural machinery.

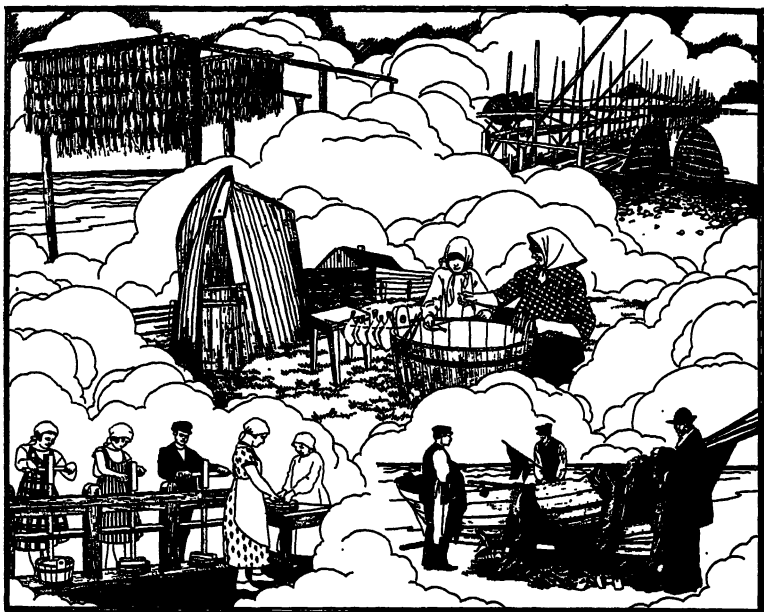
In 1932, when agricultural prices fell to rock bottom in the world market, the government introduced a policy of credit-subsidies for certain branches of agriculture. This policy was extended and subsequently modified.



Haymaking. Painting by Janis Rozentals

The second stage of the scheme for the assistance of agriculture consisted in efforts to improve the quality of the products, so as to facilitate their sale in foreign markets. In this direction, the following results were gained: (1) the policy of fixing higher prices for better qualities encouraged the farmer to place superior products on the market, so that the standard of production rose; (2) the inspection of crops such as cloverseed, cereals, and potatoes by agricultural experts enabled farmers to obtain higher prices for these controlled products; (3) the stipulations as to the areas in which clover seed and vegetables could be grown, and the regulations governing the nursery-garden and vegetable seed trade, had a similar effect. The Government decreed that these crops had to be grown in certain areas where geographical and other conditions were most favorable, and had prohibited the cultivation of similar varieties elsewhere. The regulations governing the nursery-garden trade provided that only plants of a certain variety could be sold, and that the authenticity of that variety had to be guaranteed. The object of the regulations governing the trade in vegetable seeds was to restrict the number of varieties and to encourage the cultivation of those best suited to the climatic conditions.

The government's efforts to organize the market for agricultural products would have been incomplete had it omitted to take into consideration the sale of the crops. It gave the farmer a guarantee that he would be able to sell the whole of his crop, and protected him from a collapse of prices when harvests were abundant and he could find it impossible to dispose of the whole crop. Certain products, such as cereals, flax,



Fishermen at Work. Designed by Z. Vidbergs

hemp, and sugar-beet, were purchased by government authorities; others by joint-stock companies or cooperative organizations, the majority of whose shares were held by farmers or their cooperative societies. For instance, the joint-stock company "Bekona Eksports" (Bacon Export) bought live-stock; "Latvijas Centralais Sēklu Eksports" (Central Office for Export of Seed) undertook the purchase and export of clover seed, fodder grass, vegetables and sugar beet, corn seed, potato seedlings, and potatoes for consumption; "Latvijas Piensaimnieku Centrālā Savienība" (Central Union of Dairies) bought and exported butter, cheese, honey, and eggs; "Adu un Vilnas Centrāle" dealt with hides and wool; "Zvejnieks" (The Fisherman), a limited company, was the only wholesale organization in the fish trade.

The production of commodities, for which there was only a limited market, was regulated. The government, or the authorized organization, after assessing requirements and market capacity, allotted a proportion of the production to each area and each undertaking. In the spring of each year, contracts were concluded for the supply of sugar beet, medicinal plants, vegetable seed and fodder grass, etc.

As regards fishery products, the fishermen's cooperative societies were supplied with trucks from government stocks for

the transportation of fish to places inland; the market thus was appreciably extended, and rapid and more regular distribution of fish was ensured throughout the country to the benefit of the health of the population.

To enable farmers to purchase the necessary material, the government insisted on stable and uniform prices for chemical fertilizers, and also for cement, artificial slate, and earthenware drain pipes. These materials were marketed by consumers cooperative associations.

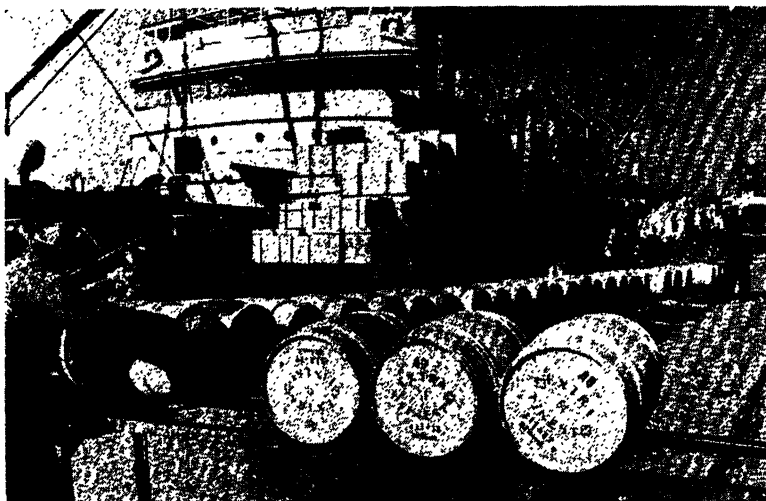
The government also devoted special attention to the organization of the external market. Exports consisted chiefly of *agricultural produce and timber*. In 1937 agricultural and stock-breeding products accounted for a third of the total exports, 33.81%, and timber for 45%.

Exports by Commodities in 1937

<i>Commodity</i>	<i>Value in million lats</i>
Butter.....	45.8
Flax.....	12.7
Pigs.....	8.9
Clover seeds.....	5.5
Meat.....	4.5
Hides.....	4.0
Eggs.....	1.4
Linseeds.....	1.4
Fish conserves.....	0.8
Timber.....	117.8
Plywood.....	22.8
Twine.....	6.8
Paper and cord.....	5.6
Match splint.....	1.3
Pulp.....	1.5

The chief agricultural product exported was butter; in 1937 it represented 51% of the value of all exported agricultural products, and in 1938 even more. It was followed by meat and livestock, 15.34%, and flax fibre, 14%. Exports of clover seed and timothy grass seed were also of some importance, 2.1%. Calfskin exports grew considerably and in 1937 reached 4.36% of the agricultural export. The export of fowl, eggs, honey, wax, medicinal plants and potato-seeds was steadily increasing.

Latvia was no longer obliged to import any basic foodstuffs, and had even begun to export certain products which she was formerly compelled to import, such as medicinal plants, seeds (vegetable, fodder grass, beet), and wheat for breadmaking, and this had helped to increase revenue and the purchasing power of agriculture.



Loading Butter for Export in Riga Harbor

STANDARDIZATION OF AGRICULTURAL PRODUCTS

Being anxious to keep up the reputation of Latvian agricultural products abroad, the Latvian government was taking steps to improve and stabilize quality. Agricultural products intended for the home market were also gradually standardized to meet the increasing demands of local consumers and as a result of the marked tendency towards centralization and specialization.

The following agricultural products were standardized:

Dairy products. The quality of these products, whether for export or for local consumption, was fixed by special legislation. Similarly, their preparation in dairies and cheese-dairies was strictly regulated.

The standardization of the quality of butter for export was controlled by the State Butter Inspection Office, which, toward the end of 1934, was converted into a Dairy Produce Inspection Office. The earliest provisions regulating the inspection and export of butter date from 1922. In the last years the Law of 1934 regulating the inspection of and trade in dairy products was in force, amplified by various provisions dealing not only with the manufacture of and trade in dairy produce, but also with the quality of the raw material and the supply of milk to dairies.

In determining the quality of butter for the purpose of grading, the experts observed the following rules:

Grade I (a) butter had to have at least 11.6 points out of a maximum of 15; the barrel had to be of standard weight (50.8

kg. net), and the water content of the butter could not exceed 16%; the butter had to be sufficiently compact, and the packing had to be flawless.

Grade II (b) butter had to have from 9.6 to 11 points and comply with the requirements laid down for the previous grade.

Grade III butter was not allowed to be exported.

Barrels of butter intended for export had to bear the official control mark: Grade I butter, a garland of oak leaves on one of the staves; Grade II butter, the same garland with a green mark superimposed on it, bearing the words "Second Quality".

In the dairies, milk was divided into three grades, according to taste, smell, purity, and reducibility. Grade I consisted of milk which has obtained at least three points for the above-mentioned qualities. Grade II had to have at least two points; milk which failed to obtain these two points was relegated to Grade III.

The quality of the auxiliary substances used in the preparation of butter had also been fixed, and special rules had been laid down for the pasteurization of cream, the degree of moisture of butter intended for export (16%), and packing and marking.

There was a tendency to centralize production and sale. A particular area was allotted to each dairy, while exports were in the hands of a single organization—the Latvian Central Union of Dairies. Consignments of butter for export had to be placed in the Government's cold storage at Riga or the branch at Liepaja. All dairy products intended for export were subject to compulsory inspection and analysis, which were carried out in Government institutions. Similar regulations were in force for dairy products intended for home consumption.

Meat.—The export of meat was subject to supervision by the Ministry of Agriculture.

Animals whose meat was intended for export were examined, both before and after slaughter by the veterinary surgeons attached to the slaughterhouses. The meat was subjected to microscopic and macroscopic inspection, and its subsequent preparation had also to be supervised by a veterinary surgeon.

The carcasses of pigs to be converted into bacon (half-pigs, salted and smoked) were branded with the words "Latvian Bacon".

Bacon was divided into several grades, according to weight and the thickness of the fat.

The fat had to be firm and white in color, and the ham had to be of a good shape.

Wool. Wool is divided into two main kinds: fine wool, obtained from thoroughbred sheep, of which there are six varieties, and coarse wool (five varieties), obtained from local

sheep. Each of these varieties is subdivided into five different grades, according to the degree of purity (from 60% to 100%).

The trade in sheep's wool was exclusively in the hands of the joint-stock company "Adu un Vilnas Centrale", which purchased the wool at a fixed price.

Eggs.—Eggs were graded for export and prepared under the supervision of the Ministry of Agriculture. They were exported exclusively through the Latvian Central Union of Dairies. The eggs were collected by the agricultural organizations and firms registered with the Ministry of Agriculture, which, in accordance with official instructions, divided the eggs into three grades: A, fresh eggs; B, refrigerated eggs; C, preserved eggs. Fresh eggs were divided into two qualities.

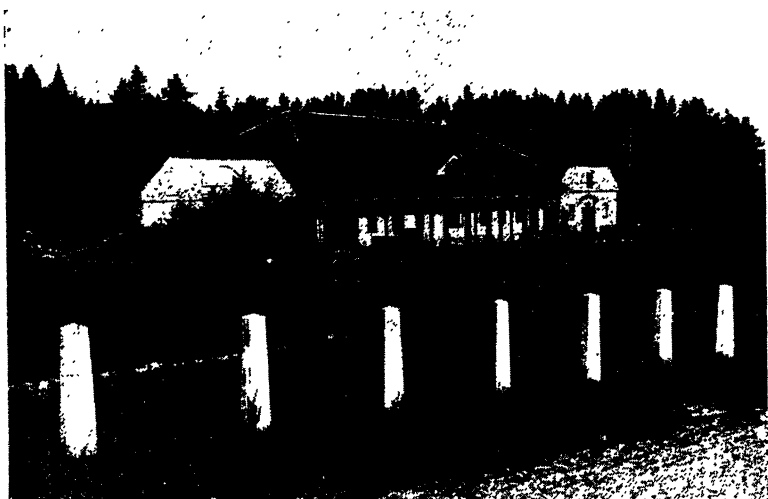
Fresh or selected eggs for export to the United Kingdom were divided according to weight into seven grades (from 50 grams to 68.09 grams and over); those exported to Germany, into five grades (from 50 grams to 55 grams and over).

All eggs for export were marked with an indelible stamp. They were packed in boxes of 360 or 720. Before they were packed, a card giving in English the name of the organization or firm by which they were sorted and the checker's and packer's numbers, was placed at the bottom of the box, and a duplicate under the lid.

Boxes of eggs for export bore the mark of the organization or firm by which they were sorted. The serial number of the box had to appear on the left end, and the weight in Lb. avoirdupois or grams on the right end.

The Egg Export Control Office affixed the control mark to the boxes and issued to exporters, in respect of consignments passed for exports, certificates showing the numbers of the boxes exported.

Wheat.—A definite standard for wheat was established in 1930. Each year, before the purchase of wheat began, the standard for wheat and peas fixed by the Wheat Office and confirmed by the Minister of Agriculture, was published in the official journal *Valdības Vēstnesis*. This standard, which was in force throughout the country, could only be modified by the Minister of Agriculture. It was fixed according to the data obtained by the analysis of samples of wheat and peas. As soon as the harvest began, the Wheat Office took several hundred samples of wheat and peas from different parts of the country, in order to ascertain the following qualities: weight in kilograms; percentage of purity; percentage of moisture; content of other crop seed; percentage of sprouted or damaged seeds. These figures served to determine the standard. For the most part they were stable, except as regards the weight and the percentage of sprouted seeds, which varied from year



Roadside Inn in Vidzeme

to year, according to climatic conditions, though never very considerably.

Seed.—The seed trade was supervised by the Ministry of Agriculture, which determined the quality of the seed passed for sale; it fixed each year the minimum purity and germinating power, and the maximum weed content admissible. Those conditions were liable to certain fluctuations, according to the quality of the crop. Seed exported abroad (flax, clover, timothy grass, etc.) was subject to even stricter supervision.

Seed was not allowed to be exported until it had been examined at the Control Station attached to the Ministry of Agriculture. If the result of this examination was satisfactory, the seed was dispatched abroad in sealed bags marked to show the quality. The Control Station examined the seed in accordance with the rules drawn up by the International Seed testing Association. In the case of consignments passed for export, the Control Station issued to the exporter a certificate showing the quality of the seed (purity, germinating power, weed content, origin, etc.), and the number of the sealed bag in question. The export trade in clover seed, timothy-grass seed, and fodder grass seed was exclusively in the hands of the joint-stock company "Latvijas Centralais Seklu Eksports", which guaranteed the homogeneity and superior quality of the seed exported abroad, and thus helped to standardize it.

Flax.—The flax trade was a State monopoly, controlled by the Government's Flax Monopoly Board. The flax was purchased from the special stations in accordance with the stand-

ardization rules, and a copy of the delivery certificate was transmitted to the seller, specifying the grade to which the consignment was allotted. Since it was not possible for the various stations to grade flax in an absolutely uniform manner, it was carefully regraded at the central depots.

There were a whole series of different qualities of flax.

Standards were established by the Flax Monopoly Board, which called together for that purpose the representatives of the institutions concerned and of producers' and traders' organizations. The grading system employed for Latvian flax was held to be the most stable, and enjoyed a good reputation in the international trade. In the statistics of flax prices, market fluctuations were recorded according to the quotations for Latvian flax, although, from the point of view of the volume of exports, it represented only from 5% to 10%, of the flax sold in the world market.

Fruit.—The home and foreign trade in fruit was governed by a special law of 1936, under which apples were divided into four grades. The quality of the apple was determined by the degree of ripeness, the minimum size corresponding to the grade, shape, characteristic color, and soundness. Each grade was divided into three groups, according to size: (1) small, (2) medium, (3) large, a maximum limit in millimetres being fixed for each group.

Pears were graded in the same way as apples.

Strawberries, raspberries, gooseberries, plums, cherries, bilberries, whortleberries, and cranberries were divided into three grades, according to quality as determined by their degree of ripeness, firmness, size, cleanliness, and soundness.

Methods of packing were also standardized. For the carriage of apples and pears, three types of boxes could be used, holding 50, 32, and 25 kg. respectively. For the carriage of berries by navigable waterways or asphalted roads, boxes holding 25 kg. had to be employed, and by other routes, baskets containing from 0.5 to 3 kg. net. The control of foodstuffs prepared from fruit and berries was provided for by a special law which stipulated that good quality raw materials had to be used and that the foodstuffs had to be carefully prepared. Only a certain quantity of water could be added, with no chemicals of any kind, and the product had to be packed in tins or barrels.

Fishery products.—These products were standardized both for the export and for the home trade. A special law promulgated in 1929 established the control of the export of fish and fish preparations. By virtue of this law, fish, whether fresh, frozen, smoked, or otherwise prepared, was subject to general inspection, while tinned fish and salted or soured fish were

examined for quality, taste, appearance and packing. Standard dimensions were fixed for tins, which could only be made of new tinplate. The tin coating could not contain more than 0.2% of lead. The containers and tools used in the preparation of tinned fish could not be made of a metal alloy containing more than 1% of lead or any other harmful substance.

AGRICULTURAL CREDIT

In Latvia agricultural indebtedness amounted in 1938 to 65 lats per hectare (one lats = 19.3 cents).

Agricultural credits were granted chiefly by the State Agrarian Bank, the Bank of Latvia, the savings banks, and, since 1935, the Farmers Credit Bank. The State Agrarian Bank granted agriculturists mainly long-term credit, and the other institutions referred to above granted short-term credit. The following figures show the value of long and short-term credit operations transacted: in 1938, agricultural indebtedness amounted altogether to 292.2 million lats, 201.9 million lats being loans granted by the State Agrarian Bank, 61.3 million lats loans granted by short-term credit institutions, and 29 million lats miscellaneous loans. Thus, the loans made by the State Agrarian Bank accounted for 69.1% of the total, out of which short-term loans accounted for only 7.9 million lats. Accordingly, long-term loans not repaid amounted to 194 million lats, or 66.4% of the total agricultural indebtedness.

The readjustment of loans had been largely responsible for consolidating and improving the situation of agriculturists. More advantageous payment terms reduced the amount of annual payment to about 1½ million lats.

The long-term loans granted by the State Agrarian Bank for the purchase of land and for agricultural buildings were repayable in forty-one years; those earmarked for the purchase of agricultural implements, stock and seed in twenty-eight years; and short-term loans, in three years, with the option of renewal. The rate of interest ranged from 2% to 4% *per annum*, with an additional ½% for administrative charges.

The credit facilities given by the State Agrarian Bank were not confined to the requirements of individual farm holdings, but could be extended to such rural organizations as cooperative dairies and distilleries.

Among the credit institutions doing short-term loan business, the most active were the rural savings banks, which were financed by the "Latvijas Banka" (Bank of Latvia) to the extent of about half of the total balance-sheet figures. The Bank thus cooperated indirectly in agricultural credit transactions.

The balance of the loans granted by short-term credit institutions amounted to 7.4 million lats, divided between several institutions, chiefly the Farmers' Credit Bank and the Bank of Latvia. The Farmers' Credit Bank, which was founded in 1935, made loans mainly to agricultural organizations and communes and exercised an influence which, though indirect, was no less important than that of the two banks above mentioned, chiefly because of the very advantageous repayment terms which it could offer.

The function of the Bank of Latvia in granting credits to agriculturists was steadily diminishing, as a result of the gradual readjustment of the loans and the transfer of most of them to the State Agrarian Bank.

Mainly as a result of remission effected by the State Agrarian Bank, the total amount of agricultural indebtedness declined from 334.2 million lats in 1933 to 292.9 million lats in 1938, or a decrease of 42 million lats in five years.

The chief collateral security for loans consisted of bonds issued by other credit institutions, in proportion to the amount of the credit and to other circumstances.

AGRICULTURAL INSURANCE

(a) *Live stock insurance.*—In Latvia agriculturists were statutorily protected against loss from animal diseases, which was made good by the Government. Compensation was paid when a domestic animal died of an epizootic disease, or had to be slaughtered under administrative orders for combating epizootics. The insurance covered horses, cattle, swine, sheep and goats. Animals slaughtered on account of an epizootic outbreak were evaluated by a special board consisting of a veterinary surgeon, a representative of the Administration and the owner of the animal. The compensation paid to the latter represented 75% of the animal's value. Full compensation was paid when it was proved by *post mortem* examination that the animal was perfectly healthy or died as the result of compulsory vaccination. The amount of the compensation was fixed every six months by the Ministry of the Interior, in agreement with the Ministry of Agriculture.

(b) *Insurance Against Hail Damage.*—The first farmers' mutual hail damage insurance companies were founded in 1891.

This form of insurance had on various occasions evoked the interest of certain joint-stock companies, but without any results.

Owing to its geographical position, Latvia is not much exposed to the risk of hailstorms. Nevertheless, compulsory insurance against hail was introduced by the "Law concerning

Relief for the Victims of Disasters", published on October 8, 1935, under which a special fund was opened at the Ministry of Agriculture, to help rural undertakings situated within the administrative boundaries of rural communes, on which the buildings, fruit-trees, fish-breeding installations, tilled fields, meadows, or vegetable gardens had suffered damage from storms floods, or hail.

Compensation was paid only if the loss amounted to at least 25% of the value of the property damaged.

(c) *Fire Insurance*.—By law, all farm buildings had to be insured against fire with mutual insurance companies.



Birch Trees

COOPERATIVE ASSOCIATIONS

In 1937 Latvia had 503 credit and savings cooperative associations, 448 mutual insurance societies, 184 consumers' cooperative associations, 258 cooperative dairies, 228 agricultural machinery cooperative associations, 54 peat-producing associations, 24 cooperative distilleries, and 18 fishermen cooperative associations. Besides these there were numerous cooperative associations for control of cattle (milk cows), cattle breeding, horticulture, agriculture, etc.—in all more than 4,000 various cooperative associations of an economic character. There were also numerous cooperative associations of a social character, such as library, singing, educational, etc. When under Russian rule, these various organizations were the centers of the Latvian national movement.

One of the oldest forms of cooperation in Latvia was cooperative credit.

The loans granted by the credit and savings organizations were specially adapted to the needs of farmers, thanks to the favorable conditions of payment and moderate rate of interest. From 5% to 7% interest *per annum* was charged on loans, according to the funds available.

Of 105.7 million Lats of the total assets of the year 1936 the assets of rural organizations accounted for 63,300,000 Lats. Farmers' deposits represented 23.4% and farmers received loans mostly from rural organizations. In 1936, 91,245 farmers obtained loans.

Movement of Credit and Savings Cooperative Associations

<i>Year Dec. 31st</i>	<i>No. of So- cie- ties</i>	<i>Total Mem- ber- ship</i>	<i>Aggregate balances</i>	<i>Shares and Reserves</i>	<i>Deposits Received</i>	<i>Loans from Credit In- stitutions</i>	<i>Net Sur- plus</i>	<i>Loss</i>
1934....	618	202,234	102,065,712	21,045,080	32,533,727	43,906,004	642,104	741,843
1935....	606	205,495	104,713,465	21,562,955	35,505,567	42,968,348	682,610	593,984
1936....	532	202,696	105,703,639	22,485,239	35,108,368	43,017,563	754,829	438,874
1937....	503	202,768	97,258,286	20,475,195	33,132,038	39,467,875	782,769	63,234
1938....	477	207,042	103,000,000	21,510,867	37,865,612	38,905,603	549,355	66,627

The number of these societies fell from 503 to 407, chiefly owing to amalgamation. Six urban societies, all above the medium size, changed their rules and became mutual credit associations. The aggregate balances of these 6 societies were Ls. 14 millions, and the absence of this sum considerably

reduced cooperative totals for the end of 1938. In order to make figures comparable and to secure proper appreciation of the developments in 1938, these six societies have been eliminated also from the totals at the end of 1937 (see table).

In 1938, 4,274 (2.1%) new members joined the societies. The aggregate balances increased by Ls. 5.7 millions (5.9%) and the aggregate shares and reserves by Ls. 1.035 millions (5.1%). Very considerable was the growth of aggregate deposits—from 33.1 millions to Ls. 37.8 millions (14.3%). Rural societies separately taken show an increase of 22%. This again is a result of the healthy influence of the reforms, especially the Cooperative Fund Act.

This increase in deposits enabled the societies to extend the aggregate sums put out to loans by 4.7 millions and to reduce their loans from credit institutions by Ls. 0.56 millions.

The increased deposits must be looked upon also as the result of the advertising conducted by the societies in order to encourage people to place their savings with the societies. At the same time steps were taken to further close collaboration among different types of cooperative societies, with the intention to concentrate all financial operations in the hands of the savings and loan societies, such as payments for produce delivered to productive societies and the like.

The problem of a central organization for the savings and loan societies was not solved yet.

The Latvian People's Bank, which for some years had been supposed to fill the functions of a cooperative central organization, was registered as a joint-stock company. The total share capital of the Bank was Ls. 700,000, while the minimum share capital for joint-stock credit institutions, in accordance with the new Companies Act, was Ls. 3 millions, so that the matter of the future existence of the Bank was unsettled. In conjunction with the State credit establishments the cooperative credit societies regularized the country's economic life. The activities of the cooperative dairies helped to conquer world markets for Latvian butter.

COOPERATIVE DAIRIES

Cooperation in the dairy industry was introduced into Latvia comparatively recently. The first cooperative organization of this kind was established in 1909 (in Denmark in 1882).

Dairy societies can make no progress without the rational organization of stockbreeding, without markets, and without organizations to provide technical assistance. Before the war, therefore, when political organizations and economic undertakings were hampered by administrative measures, this form

of cooperation naturally developed very slowly, but greater efforts were made to organize it on rational lines after Latvia obtained her independence.

Development of Central Dairies

<i>Year Dec. 31st</i>	<i>Number of societies</i>	<i>Number of cream- eries</i>	<i>Number of sup- pliers</i>	<i>Milk Supply in tons</i>	<i>Aggre- gate balance</i>	<i>Shares and reserves</i>	<i>Loans from the Govern- ment Agra- rian Bank</i>
1934...	326	1,089	50,456	499,996	22,066,000	10,582,022	6,537,690
1935...	294	1,109	56,585	494,818	18,812,765	10,268,841	4,847,162
1936...	268	1,086	56,446	542,590	19,095,572	10,591,659	4,297,355
1937...	258	962	57,083	603,158	20,701,650	11,349,955	4,364,788
1938...	251	981	68,575	725,792	.....	12,259,955	.....

Owing to amalgamation, the number of cooperative dairies fell by 7 societies, most of which were turned into creameries. To facilitate milk supply, the cooperative dairies also continued to open new creameries in the more remote places of their respective areas of operation. In 1938, 12 such creameries were opened. In addition to these central dairies there were 1,036 skimming stations in 1937. In that year the dairy societies had a membership of 181,541.

The number of milk suppliers rose from 57,083 in 1937 to 68,575 in 1938 (11.4%), and the amount of milk supplied from 603,158 tons to 725,792 tons (19.8%). The dairies received milk in 1936 from 333,231 milk cows, representing 38% of the total number of milk cows in the country. The supplied milk was utilized: 95.97% for butter, 0.57% for cheese, 1.10% for cream, 2.02% consumed raw, 0.13% used by the personnel, and 0.15% for other use. The principal product was butter.

The aggregate output of butter in 1938 exceeded that in 1937 by 4.8 millions of kilograms and amounted to 29.3 millions.

In order to supply the larger towns with good milk and milk products, five special societies were established in the respective towns. The activities of these societies in 1938 were quite successful.

The central organization of the cooperative dairies, the Central Union of Latvian Dairy Farmers, on January 1, 1939, had 254 members. The total balance of the Union was Ls. 8.6 millions, of which Ls. 1.88 millions were shares and reserves. The Union derived a net surplus of Ls. 258,000 from its business activities.

In 1938 the Union exported 23,463,000 kilograms of butter (in 1937, 19,240,000 kilograms), 139,094 kilograms of cheese (in 1937, 170,400 kilograms), 16,300,000 eggs and 5,000 kilograms of honey.



Dairy Cooperative in Bene, Zemgale

Intensified activities of the dairy societies were responsible not only for the increase of the quantity of output, but also for a considerable improvement of the quality of dairy produce.

A special fund was inaugurated at the Ministry of Agriculture out of which societies were awarded sums as prizes for greatest progress in the quantity and quality of output as well as for reduced processing expenditure.

COOPERATIVE DISTILLERIES

On July 1st, 1920, when the first season of processing was closed, there were 12 cooperative distilleries with 1,584 members and a share capital of Ls. 367,000.

On January 1st, 1939, there were 24 cooperative distilleries with 2,616 members and a share capital of Ls. 700,000. For the season of 1938 and 1939 these societies planned an aggregate output of 5,700,000 litres (until February 22, 1939, 3.7 millions of this quota were already realized), i. e. 44% of the total national output of alcohol.

Besides these, two societies in Latgale began the erection of new and modern distilleries.

In their work of taking over the production of alcohol the farmers met with very cordial and indispensable assistance on the part of the Chamber of Agriculture, the Revenue Office and the Governmental Agrarian Bank. The first two were helpful in matters of organization and processing methods, the latter

granting the necessary long-termed credit amounts at the rate of $2\frac{1}{2}\%$ interest.

The total amount of such credit on January 1st, 1939, surpassed Ls. 1.5 millions. It ought to be noted that the buyer of distilled alcohol was the Government, which introduced the alcohol monopoly to stabilize prices on potatoes. The rectified alcohol was mostly used for technical purposes, as a component part of "Latol", a combination of gasoline and methylalcohol. A part was processed in the "Kristal-Dzidrais"—a sort of vodka, and other cordials: black and red currant, Kümmel, Riga-Balsam, etc.

COOPERATIVE FISHERIES

Preliminary figures for 1938 witness a considerable progress in the activities of the cooperative fisheries.

Much care was taken in order to improve the conditions of the fish market. On October 15th, 1939, the Central Union "Zvejnieks" (Fisherman) was granted a monopoly of wholesale-trade of fish in Riga.

This resulted in the rising of the average wholesale prices received by the fishermen for their produce, viz.

in 1933	Ls 0,14	per kilogram
in 1936	Ls 0,17	"
in 1937	Ls 0,23	"
in 1938	Ls 0,26,1	"

On January 1, 1939, there were 18 cooperative fisheries. Amalgamation of smaller societies was continued throughout the report year. The total membership of these societies rose from 949 to 1,101.

The growth of business activities was considerable. The aggregate output of raw and refined fish in 1938 exceeded that in 1937 by 40.5%, and was valued at Ls. 1.209,900.

The aggregate supply of net, oil, petrol and other articles dealt in by the societies increased by 17%.

The total membership of the Central organization of cooperative fisheries, the Central Union "Zvejnieks", on January 1, 1939, was 15. The total balance of the Union amounted to Ls. 273,794, of which sum shares and reserves formed 43%. The trade activities of the Union in 1938 were valued at Ls. 2.1 millions. The Central Union "Zvejnieks" organized courses for fishermen, and was helpful in procuring motor-boats for fishermen, transportation of fish to market, smoking, credits, etc. Particular care was taken to have accurate meteorological service. The catch of fish amounted to 14,000 tons.

AGRICULTURAL MACHINE USER'S SOCIETIES

On January 1st, 1939, there were 228 Agricultural machine users' societies. In 1938, 11 new societies were founded, but 25 societies were liquidated and eliminated from the register owing to the fact that they had stopped business activities for years past. Data concerning business activities in 1938 have not been compiled. An examination of the annual reports of local societies shows that a certain progress was made.

New rules were passed also for this kind of society. The main object of the agricultural machine users' societies, according to the rules, was to promote the mechanization and rationalization of agricultural work. The reformed rules allowed the societies to carry on their operations through several groups of members interested in the use of certain machines. Agricultural machine experimental stations, repair shops and courses for mechanics were opened.

MUTUAL INSURANCE SOCIETIES

These were among the most important cooperative organizations. Their main purpose was to insure the real property of the members against fire. A few of them (22) also insured livestock.

The following table sets out the features of their development in recent years:

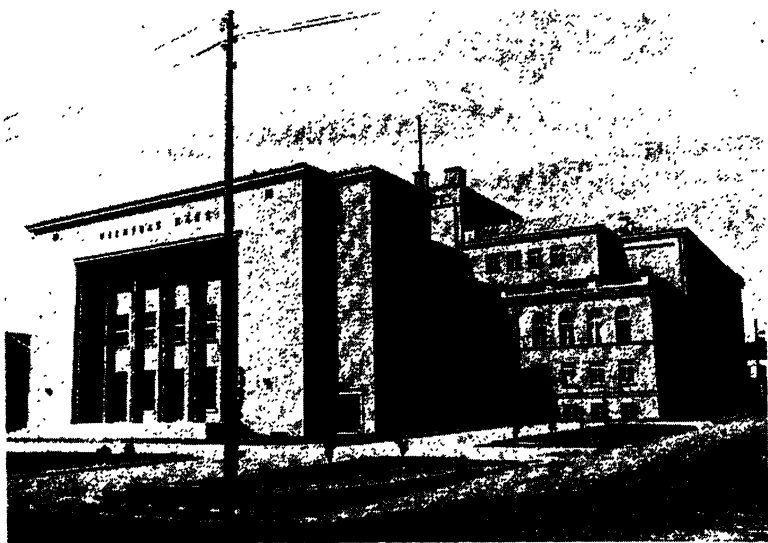
<i>Year Dec. 31st</i>	<i>Number of So- cieties</i>	<i>Total Member- ship</i>	<i>Aggregate Risks</i>	<i>Aggregate Balances</i>	<i>Reserves</i>	<i>Net Surplus</i>	<i>Loss</i>
1934.....	454	114,514	579,487,982	5,613,123	4,195,751	428,974	72,611
1935.....	456	118,279	644,071,354	6,080,805	4,572,601	515,861	38,109
1936.....	454	122,445	671,338,067	6,571,126	4,909,328	540,576	68,530
1937.....	448	125,536	709,916,824	7,087,672	5,364,421	556,784	30,233
1938.....	.....	.....	.....	.....	.....	540,267	49,374

An examination of the annual reports of local societies and the Central Insurance Association shows that the year was a successful one also for this kind of cooperative enterprise.

One hundred and twenty-four societies were founded, most of them in the eastern part of the country, that formerly was rather a cooperative desert. Amalgamation of smaller societies was continued.

Considerable possibilities for the expansion of cooperative insurance came into existence with the passing of a Governmental Act requiring compulsory insurance of rural real estate.

On January 1, 1939, 606 members were affiliated with the Central Insurance Association, 469 of which were insurance societies.



Community House in Daugavpils (Built in 1936)

Total assets of the Association increased by 22% and amounted to 1.6 millions, but shares and reserves increased by 26% and amounted to Ls. 1.256 millions.

The amount of insurance and re-insurance of different kinds of risks rose from Ls. 402 millions in 1937 to Ls. 540.2 millions in 1938 (an increase of 34%); at the same time premium income increased by 39% and reached Ls. 1.3 millions, while the percentage of losses fell from 35.8 to 28.8. The Association derived from these activities a net surplus of Ls. 71,677 after a dividend charge of Ls. 63,747 had been returned to premium payers.

Mutual insurance societies were among the most important cooperative organizations. Their main purpose was to insure the real property of their members against fire. A few of them also insured livestock.

CONSUMER SOCIETIES

The Consumers' societies must also be included among important cooperative undertakings. Consumers' cooperation has passed through several stages of growth; it is one of the oldest forms of rural cooperation.

Even before the first World War certain consumers' societies had formed central organizations, among them the central society "Konzums", etc. During the first years of Latvia's independence, some of those central organizations played a very important part in provisioning the population and the army.

Year	Num- ber of Socie- ties	Num- ber of shops	Total mem- ber- ship	Total Sales	Net Surplus	Loss	Aggregate Balances	Shares and Reserves
1934...	192	375	28,358	19,293,951	238,003	43,720	7,985,282	3,420,182
1935...	194	393	27,597	22,159,423	341,646	19,715	8,184,270	2,420,182
1936...	187	399	27,047	28,978,536	450,386	15,040	8,992,879	3,766,063
1937...	184	428	27,577	38,200,000	794,149	10,996	10,300,000	4,070,658
1938...	206	498	33,381	58,900,000	904,002	13,822	13,400,000	5,712,500

With a view to the systematic coordination and reorganization of cooperation as a whole, the law on the establishment of the central cooperative organization was promulgated on December 31, 1936. This was followed by supplementary provisions and special instructions, in accordance with which the central society "Turība" was established. This society was required to take over, by agreement, the assets and liabilities of the rights and obligations. By virtue of this law, no new society could be established unless it was deemed necessary after its economic program had been examined in detail.

At the end of 1938 the membership of the "Turība" consisted of 209 consumers' societies, 171 cooperative dairies and 34 miscellaneous organizations. The "Turība" was stockholder in 15 joint stock companies. The balance of "Turība" on January 1, 1939, amounted to 18.7 million lats.

By their very nature, consumers' cooperative societies called for considerable organizing ability on the part of the management. They also needed faithful customers who were won over to the idea of cooperation. For these reasons, the consumers' cooperative movement still had a long way to go in certain districts, although the majority of the population was in favor of this form of cooperation.

In 1935, the total number of retail sale trading concerns was 29,576, of which the shops of the consumers' societies represented no more than 1.3%. Only in the food trade was the proportion as high as 4.7%. Nevertheless, the turnover of the consumers' societies in the food trade, as compared with all other shops of that kind, was much higher (16% in 1935). The business of the consumers' societies grew rapidly, and from 1935 to 1936 it increased by 30.6%. Later, these societies obtained their supplies direct from producers and State undertakings, and thus reduced the proportion of goods purchased from traders.

JOINT STOCK COMPANIES

An important role was played in the progressive development of Latvian agriculture by the already mentioned joint-stock companies formed by agriculturists or agricultural cooperative

societies, such as the "Bekona Eksports" (Bacon Export), "Sviesta Eksports" (Butter Export), "Latvijas Centrālais Sēklu Eksports" (Latvian Central Seed Export Depot), "Adu un Vilnas Centrāle" (Central Office for Hides, Skins and Wool), "Latvijas Koks" (Latvian Timber), etc. These cooperative organizations were established, not for the purpose of making profits, but for the systematic sale of agricultural products under fair conditions.

PEAT PRODUCTION

On January 1, 1939, there were 54 peat-producing companies. The total area of peat marshes amounting to 10% of the total area of Latvia, the production of peat was only in the beginning.

COOPERATIVE YOUTH

On January 1, 1939, there were 261 students' retail societies (circles) and 12 savings and loan societies, that carried on their activities under supervision of the teachers of the respective school.

The matter of cooperative youth was settled by an act passed on January 28, 1939. This act emphasized the value of young people being brought up in the spirit of true cooperation.

* * * * *

Lastly, it may be asked to what extent the Latvian farmers benefited by the establishment of all these cooperative undertakings.

In the past, these undertakings, apart from their economic role, had a highly important political part to play; they organized the people and thus prepared the ground for the establishment of the independent State. The cooperative movement in the last years was playing a more and more important part in economic organization, and rural economic life as a whole would have been controlled by the producers—the Latvian farmers. The role of the cooperative movement was to eliminate the so-called "struggle of classes" and foster the general welfare of the Latvian people, who could not enjoy cheap credit from abroad and had to rely upon themselves. The results were more than satisfactory.

INDUSTRIES

FOREST INDUSTRY AND TIMBER EXPORTS

The most important natural resources of Latvia beside the soil are the large and well cultivated forests, the home of abundant wild life and birds.

About a third of Latvia's area is covered with forests, which fact is of great importance for agriculture. The large forests make the snow melt much slower—thus floods are avoided. Besides, forests preserve moisture for pastures and meadows and help to moderate the climate. Latvian forests since time immemorial have supplied the essential materials for buildings, because about 80% of all buildings in Latvia are of wood; wood is also the principal fuel in Latvia.

The forests are an inexhaustible source of raw materials for the extensive Latvian wood-working factories, also for wood-pulp, plywood, paper and other related industries. 20% of all the industrial workmen of Latvia were employed in the manufacturing of forest products, worth about 16 million dollars in 1937.

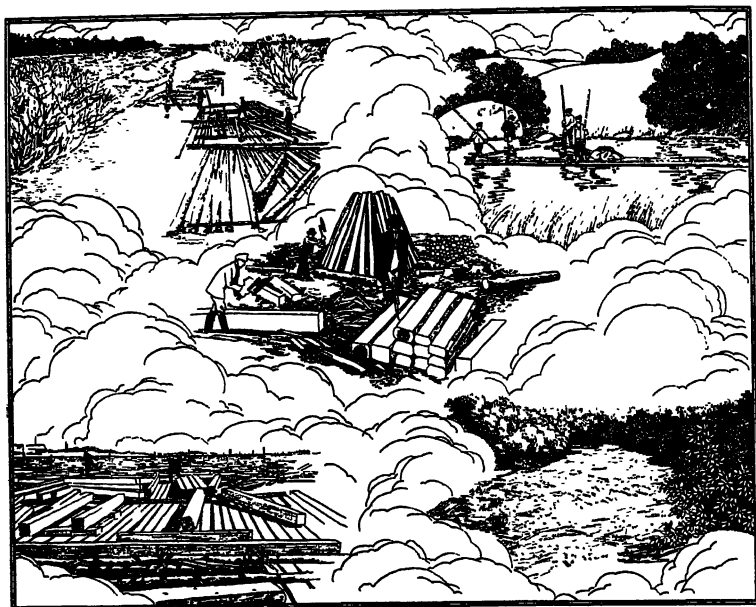
In exportation of lumber and of wood products Latvia ranked fifth in Europe.

The forests provided for the State budget an income of some \$5,000,000 annually (the total budget having been some \$40,000,000 of net income). The country's railroads and commercial fleet in normal times gained a considerable part of their profits from the transportation of timber.

Similar to other resources of the country, Latvian forests also suffered greatly from the first World War. However, a scientific reforestation providing for regular annual increase of the area occupied by forests soon bettered the situation.

The total area of forests in Latvia in 1939 again was 1,844,832 hectares or 29% of Latvia's territory. Of all forests the State owned 79.57%, the farmers 17.54%, municipalities—2.89%. This would make 89 hectares per 100 inhabitants (Finland has 517 ha, Sweden 356 ha, Norway 260 ha, then followed Latvia, which thus held fourth place in regard to forests).

The major part of the forests consists of coniferous trees, viz.: pine 48.5% (*pinus silvestris*), and 29.8% fir (*picea excelsa*), which provide valuable sawn material. The remaining part of the forests consist chiefly of birch (*betula sp.*) 11.9%, aspen (*populus tremula*) 4.9% and black alder (*alnus glutinosa*) 4.4%, all of which provided valuable materials for the plywood



Logging in Latvia. Designed by Z. Vidbergs

and match splint industries. There is also a certain quantity, but less than 1%, of oak, ash, white alder, linden, maple, chestnut, etc.* Latvian white pine is particularly suitable for planting in soils with prevailing sand.

The export trade annually took about 1,800,000 cubic meters of timber from the Latvian forests. The timber exports played an important part in trade as well as in the balance of payments of Latvia, in some years forming about 40% of the total value of exports. The importance in Latvia's foreign trade of the timber materials is to be seen from the following table:

Export Value of Timber Materials (in Millions of lats)†

(1 Lats = 1 Gold Franc = 19.3 American cents)

	1935	1936	1937
Unsawn timber (logs) and sawn materials.	25.2	37.1	117.9
Manufactured timber materials.	11.1	14.5	24.2
Produce of the paper industry.	2.5	3.5	7.4
Total.	38.8	55.1	149.5

* M. Skujenieks. *Latvija*. Riga, 1926, p. 485.

† Data from *Latvijas Statistikas Atlāss*, 1938, and from the Reports of the Ministry of Agriculture.

Latvia's wealth of forests and flax are often called the "green gold of Latvia". This expression is true, because through timber and flax exports Latvia strengthened her national economy, her stable national monetary system, and augmented the reserves of gold and foreign exchange.

MANUFACTURING INDUSTRIES

Although agriculture was the chief occupation of the population of Latvia, manufacturing industries also developed.

Domestic and imported raw materials were used (cotton from the U. S. A. to the extent of two million dollars in 1937), but nevertheless only 13% of the population was engaged in industries, which produced less of value than agriculture.

The government had to be very cautious with respect to granting licenses, in order to avoid establishment of artificial and speculative industries without any future and which would only aggravate Latvia's national credit column, the foreign capital part in Latvia's industries being rather negligible. However, industries and labor enjoyed a *sui generis* preference treatment by the government.

Latvian industrialists and labor were organized in their respective chambers, whose boards were situated in the capital Riga, the seat of the government, and had very easy and close cooperation with the relevant government agencies. Owing to the government's policy of national unity an equilibrium between employers and employees was achieved. The industrial workers enjoyed a more privileged position with respect to social insurance and social medicine than farm labor and small farmers. On the other hand, the country population enjoyed better housing and food conditions. There was no rush from the country to the cities; the city population even diminished from 34.9% in 1920 to 34.6% in 1935. However, the number of workers occupied in manufacturing industries rose from 51,919 in 1932 to 94,186 in 1937.* Of all these workers in 1937, about 30% lived in the country and small cities. Of all the workers only about 66% were occupied in large industries with 50 and more workers.

The development of the different branches of Latvian industry depended upon available raw material, skilled labor, capital investments, home market and foreign exports. All Latvian industrialists agreed that, as in the case of agricultural products, special care had to be taken to uphold the high quality of Latvian industrial production, so that the articles could compete in the world market.

* A. Maldups. *Latvija skatīlos*. Riga, 1938, pp. 288, 289.

WAGES AND PRICES

Latvian labor wages were sufficient to provide a rather high standard of living, owing to rather modest prices of commodities. For instance, a skilled worker earned Ls. 6.00 per 8 hours working day, an unskilled worker—Ls. 4.25, but the prices for groceries, clothes, lodging, etc., were accordingly also low. The worker paid Ls. 9.00 for a one-room apartment, Ls. 15.00 for two rooms, and Ls. 23.00 for a three-room apartment monthly. A suit, 100% wool, cost Ls. 39.00; an overcoat cost the same. High leather boots cost Ls. 11.50. Also food stuffs were accordingly low priced, such as:

Rye bread per kg. (2.204 pounds)	cost Ls.	0.20
Wheat	"	0.50
Butter	"	2.30
Pork	"	1.33
Mutton	"	0.87
Beef	"	0.75
Eggs	a dozen	1.44
Milk	1 liter	0.17

Rents were protected by a special law introducing a "ceiling price." And in general, also the prices for food stuffs were regulated. A special price inspector controlled the market prices.

The workers enjoyed sickness and unemployment insurance, maternity aid, old-age insurance (pensions), accident insurance, etc. They had their unions (about 80) which were coordinated in the Chamber of Labor, whose board of 100 members was elected. All kinds of international labor and health protection conventions were in force in Latvia.

Thus all the preliminary conditions for a satisfied laboring class existed in Latvia. Besides, the workmen had available educational possibilities, evening courses, people's universities, glee-clubs, sports, theaters, etc. Very often a skilled worker passed examinations and became an engineer. Particular care was taken to protect women's work. Children were not allowed to work under 16 years of age. Only after they had graduated the compulsory educational courses were they allowed to begin work.

It ought to be stated that industrial occupations were not new to Latvians. The Latvians are skilled artisans, and they have had home industries for centuries. In the beginning of the XX century in Latvia foreign financiers organized large industries, taking into consideration these Latvian qualities.

TYPES OF INDUSTRIES

Beside the *foodstuffs* industry described in the chapter about agriculture, and the *timber* in the chapter about forests, the next industry using local raw materials was the industry of *mines* and *quarries*, including ceramic, pottery, brick, cement, glass, porcelain, china and clay production. This industry was particularly a home industry, the construction of buildings in Latvia changing from wood to more fireproof material. Cement was also used for drain-pipes. However, a certain quantity of gypsum, chalk, clay, glass and cement was exported.

The *metal* industry and machine works in the first place had to fulfill the home requirements, particularly of agricultural machinery. A great impulse was given to the metal industries by rural electrification and extension of railways.

Latvia's railway stock and street-cars were all replaced by new ones. The increasing use of bicycles also stimulated this branch of metal industry. Latvian metal works in Liepāja produced, beside street and railway-cars, a short-distance airplane from plywood and steel, the Sprīdītis (Tom Thumb). On the other hand, the Riga State Electro-technical Factory, the VEF, built not only electrical implements, bulbs, radio apparatus, etc., but also the smallest candid camera in the world, the "Minox". Latvia had developed its own sound film technique and achieved high standards. It produced its own small agricultural machinery, even built tank-locomotives, and, of course, produced nails, wire, instruments, etc.

The *textile* branch used primarily local flax and wool. Latvian 100% wool clothes and yarn, as well as linen, were of high quality. The development of the linen industry was hampered by the absence of sufficient capital to buy machinery. However, Latvia also produced cotton piece goods. Latvia's rayon products could compete with the best product abroad.

The *leather industry* was in the stage of development. Latvian hides were mostly sold abroad as semi-manufactured raw material, while Latvia imported sole leather, patent leather and similar high grade leathers.

The *chemical industry*, which included the production of rubber goods, rectifying of naphtha and mineral oils, matches, paints, cosmetics, pharmaceutical produce, ink, glue, etc., also depended in the first place upon the needs of the domestic market, and only thanks to the high quality of these goods could they appear on markets abroad. Latvia also produced its own photographic paper, plates and films.

The *paper and pulp industry* had a better outlook. It exported about 70% of its production. Latvian paper produced from rags was always in demand for banknotes, stamps,

etc. The pulp industry was a young one, but promising. Latvia also produced its own newsprint.

Footwear and clothing industries, as well as furniture had mostly a domestic market.

Hygiene and cleansing industries, as well as public utilities, gas, electricity, were steadily developing.

The following table shows the development of industries in 1937.

<i>Industries in 1937</i>				
<i>Number of undertakings</i>	<i>Number of engaged persons</i>	<i>Value of Raw materials</i>	<i>Wages paid to staff</i>	<i>Gross output</i>
<i>(In thousands of lats)</i>				
1. Manufacture of Agricultural Products:				
1,858	18,290	126,297	17,752	178,159
2. Manufacture of Forest Products:				
543	16,802	43,444	15,957	85,208
3. Mineral Manufacture:				
153	5,186	2,589	4,689	15,491
4. Other Undertakings:				
(Mines and quarries, ceramic, pottery, metal and machine works, textile, chemical, paper and polygraphy, rubber, clothing, footwear, gas, electric power, hygiene and cleansing.)				
3,163	71,689	166,187	85,692	357,971
Total:				
5,717	111,917	338,517	124,039	636,829

Groups of Latvian Industrial Undertakings According to Size, Number of Workers and Value of Production. (In 1937)*

<i>Undertakings</i>			
	<i>Up to 19 workers</i>	<i>20-49 workers</i>	<i>50 and more workers</i>
Number of undertakings.....	4,971	397	349
Engaged persons (workers).....	19,318	12,059	62,809
Value of production (in thousands of Ls).....	141,742	69,596	425,491

* M. Skujenieks. *Latvijas Statistikas Atlāss*, 1938, Rīga.
A. Maldups. *Latvija skaitļos*. Rīga, 1938, pp. 289-292.

Industrial Production

	1930	1937	1938
Bricks (in millions).....	47.4	202.4	125.9
Cement (to).....	69,537	117,591	154,621
Nails ".....	2,962	5,562	5,040
Radio receivers.....	1,340	28,285	31,987
Bicycles.....	18,968	45,596	54,049
Rubber galoshes (1,000 pairs).....	2,278	1,899	1,738
Soap (to).....	2,375	3,036	4,034
Superphosphate (to).....	46,918	109,945	115,167
Cotton goods (1,000 sq. m.).....	9,330	16,394	16,842
Wool goods ".....	1,835	4,131	4,158
Artificial silk ".....	.....	2,556	2,864
Boards (1,000 strd.).....	220	243	163
Plywood (1,000 sq. m.).....	24,574	30,404	28,869
Sugar (to).....	6,011	45,175	33,336
Butter (to).....	20,400	24,943	29,663

Industry in Groups of Branches—Number of Workers and Value of Production (in 1938)*

	Number of Under- takings	Number of Occupied persons	Value of production (in thousands of lats)
Mines and quarries.....	23	2,013	4,115
Ceramic, pottery, etc.....	213	7,321	29,063
Metal and Machine Works.....	758	19,760	88,509
Chemical Industries.....	186	5,523	52,721
Leather Industry.....	97	1,650	20,399
Textiles.....	412	17,650	93,471
Timber and Wood Industries.....	1,172	16,448	67,568
Paper Industry.....	62	3,548	27,694
Polygraphic Industry.....	149	3,762	16,157
Food stuffs (fish, meats, candy)...	1,877	18,305	194,152
Clothes and footwear.....	368	6,413	26,138
House Construction (contractors)..	530	11,844	53,726
Gas, Electric Power, Water.....	75	1,729	23,546
Hygiene and Cleaning.....	55	1,233	1,867
Total.....	5,977	117,199	699 126

* Latvian Statistical yearbook for 1938.

Development of Industries

Year	Persons engaged	Number of undertakings	Value produced in million lats
1934.....	84,669	4,288	373,1
1935.....	93,793	5,312	404,5
1936.....	100,731	5,565	473,1
1937.....	111,917	5,717	636,8
1938.....	117,194	5,977	699,1

INDUSTRIAL POLICY

The Latvian manufacturing industries passed several periods of development. Following the economic policies adopted by the great Powers of Western Europe in introducing quotas of imports and thereby restricting the possibilities of exports, Latvia in 1932 introduced a rigid control of foreign trade. As Latvian agricultural and semi-manufactured goods were gradually excluded from the markets of France and subjected to quotas in Great Britain and in Germany, Latvia started to curtail her imports in order to keep the balances of payments in order. Unwillingly, but forced by circumstances, it started to produce almost everything at home, without regard to costs or economic principles. New industries were founded in all branches and Latvia produced at home many things which could and should have been manufactured more economically elsewhere. Many small undertakings grew up like mushrooms. It became evident later on that such a development of events was not to be tolerated, because it was a bad splintering of national wealth and productive forces. After the ill effects of the world's depression had been overcome, sanative measures had to be adopted to lay a sound basis for the industries. On July 10, 1936, a law was passed prescribing that all industrial and craftsmanship undertakings needed a license from the Ministry of Finance, with specially provided exceptions concerning small craftsmanship undertakings. In case a licensed undertaking wanted to enlarge or increase the number of workers or mechanical power, a new license had to be obtained. It was a sharp detour from the liberal principles of "laissez faire" or free trade development. Other laws followed which regulated the industrial and commercial life of Latvia in the years preceding the present war.

Besides these new regulations concerning the establishment and operation of industrial undertakings, the Latvian Government endeavored to establish new and powerful industrial undertakings with the help of credits partly controlled by the Ministry of Finance. The liquidation of unsound and unnecessary industrial undertakings was provided by a law promulgated on October 3, 1935. It was again a measure which was very much criticized as departing from the principles of free trade and free competition, but the government took the point of view that at times, when abnormal conditions prevailed in big neighboring countries (compare the economies of Soviet Russia and those of national-socialistic Germany!), there was something more at stake. For the sake of the well-being of all classes, a policy of directing the national economic tendencies was adopted, and Latvia entered a period of "man-

aged economics" which brought an unexpected level of prosperity and feverish economic activities, interrupted only by the war in September 1939.

STOCK COMPANIES

The most important companies founded during the years 1936 to 1938 were the following,—all on the basis of corporations limited, or as joint stock companies:

The commercial stock company "Ogle" (Coal) had a capital of Ls. 500,000. The company's activities were intended to take a leading part in the trade of coal, coke, fuel, wood, peat, etc. The turnover of the company in the first years of existence attained 58 million lats or 11.19 million dollars.

The stock company "Vairogs" (Shield) with a paid-up capital of Ls. 8,500,000 was intended to lead the large industries of Latvia. "Vairogs" had established in Riga an assembly plant of "Ford" cars and trucks, and developed other industrial activities, especially in the machine and machine tool branches. Both "Ogle" and "Vairogs" were founded in 1936.

The next of importance was the joint stock company "Kieģelnieks" (The Brickproducer), founded in 1937. The paid-up capital was Ls. 500,000. The activities of the company were concentrated in the field of brick production, both clay and fireproof. A similar company "Kalkis" (Lime) was established for the production of lime. The company "Degviela" (Fuel) was also founded in 1937 with a paid-up capital of Ls. 4,000,000, producing mineral oils, refining naphtha products, etc. The next founded in 1937 was the "Latvijas Koks" (Latvian Wood) with Ls. 4,000,000 as paid-up capital for the purpose of timber (or lumber) production and trade in this most important branch of Latvian industries. In March 1938 a company "Kūdra" (Peat) with Ls. 3,500,000 capital was founded to exploit the vast riches of peat in Latvia. Another company "Šifer" (Slate) with a capital of Ls. 1,500,000 was active in producing slate-roof materials for the intensive building industries in Latvia. In the same branch several other companies were active producing and exporting Portland cement, gypsum (Joint Stock companies: "Latvijas Cementfabrika", "Rīgas Ģipss" and several others). In Liepāja there were large shipbuilding and ship-repairing factories, such as the "Tosmare" (capital Ls. 4,000,000) and the wire producing "Drāsu Fabrika". If we add to these the large "VEF" (Electric appliances factory), the three sugar factories and the principal companies which were engaged in manufacturing the agricultural produce, we have almost a complete picture of the modern Latvian industries established during the 5 years

preceding the second war. The list of big and modern factories is, certainly, much larger, but it would take too much space to mention them all.

In the category of industries handling foodstuffs, a very important part was played by the canned fish industry. The produce of this industry could until recently be found in every "delicatessen" shop in New York and other big American cities, especially the popular brands of Riga sprats and anchovies (Arnold Soerensen), and certainly those products were in the market everywhere in Europe. It must be said that the food-stuff industries were only in the beginning of their development though their exports in 1938 attained about Ls. 1.10 million. The fishermen of Latvia were even enforcing upon themselves a "long weekend", abstaining from going out to sea on Saturdays and Sundays, in order to regulate the catch of fish and not to spoil the prices beyond rentability.

Before concluding the chapter on Latvian industries it is pertinent to show that the Latvian industrial production did not suffer during the world depression.

Index of Industrial Production

(1929 = 100)

<i>Year</i>	<i>Total</i>	<i>Capit. Goods</i>	<i>Consumpt. Goods</i>
1930.....	108.8	114.1	111.6
1935.....	137.3	100.4	149.9
1937.....	160.8	138.1	168.9

Generally speaking, the intensity of recovery and of production in Latvian industries was the highest according to data from League of Nations materials (*La Production mondiale et les prix*. 1936-37, Genève 1937). The value of manufactured goods has increased constantly, and among the Northern European countries Latvia in this respect had attained first place as shown by the following table:

*Quantities of Industrial Production in 1936 in Latvia and in several Northern States of Europe **

Index of production in 1929 in each state = 100

Latvia.....	143
Sweden.....	135
Finland.....	133
Denmark.....	130
Estonia.....	120
Norway.....	116

* M. Skujenieks. *Latvijas Statistikas Atlāss*, 1938, Riga, p. 38.

It should be said also that frequently unfounded assertions are made to the effect that the Latvian industries were artificial creations raised behind high walls of custom tariffs. It is true that in some cases the custom tariffs gave protection to certain small semi-efficient undertakings, but generally speaking the Latvian industries converted Latvian raw materials, had good skilled workers, craftsmen, and an abundance of sources of power.

EXPLOITATION OF MECHANICAL POWER

The sources of power in Latvia are *water* and *peat*.

The exploitation of Water Power was begun by constructing the hydro-electric power station at Kegums on the river Daugava. Taking into account only those rivers which can be economically exploited, they may be divided into three groups, according to their basins:

1. The Daugava basin 82,000 sq. km. with a capacity of 301,500 kw;
2. Seven medium-sized rivers (Venta, Gauja, Lielupe, etc.) having basins of over 3,000 sq. km. with a capacity of 52,390 kw; and
3. Smaller rivers, basins from 100 to 1,000 sq. km. with a capacity of 19.42 kw;

making a total capacity of 373,310 kw., of which about 3,260,000,000 kwh could be generated annually, under average water conditions.

The next source of power, the peat bogs (approximately 830,000,000,000 kwh), are comparatively easy to develop. With respect to timber, the policy of the Government was to use as little timber as possible for fuel. Exploitation of peat and waterpower was encouraged.

Almost from the first days of Latvian independence the idea of how to realize the construction of a big power station in the river Daugava was discussed in competent circles. At first a power station nearer to Riga, on the rapids at Dole, was planned. After preliminary calculations and tests were made it was decided to start the construction of the first large power station in another place, i. e., at the Daugava rapids of Kegums 48 kilometers or 30 miles south of Riga.* Early in 1936 technical and financial questions concerning this enterprise were discussed with technical experts at home. Then advice was asked from Sweden and from Swedish experts, who had vast experience in constructions of such nature in the northern countries. The first blueprints were made in Sweden by Professor Hornell.

* L. Ekis, op. cit., pp. 39, 40. Kegums in Latvian means rapid.

The joint stock company Vattenbyggnadsbyran in Stockholm entered into preliminary negotiations for the realization of the long-cherished plans of a power station on the river Daugava. Later on, financial negotiations with the Swedish Enskilda Bank were concluded. The loan extended to the "Kegums" by the Swedish Bank is the biggest participation of foreign capital in Latvian industries. The construction was actually begun on August 1, 1936.

The Power Station of Kegums was the first one on the big river Daugava and was the first link in the electrification of Latvia. The capacity of the station was projected for 70,000 Kw. distributed in four aggregates. The turbines were of the Kaplan type and were manufactured in Sweden by the Karlstads Mekaniska Werkstad. The electrical equipment was the work of the ASEA Company. The construction of the dam was a very complicated matter because of the difficult terrain, and injections of cement were necessary to lay the foundation of the enormous dam, which had a length of 500 meters, but together with the side earth dammed 2,100 meters (1 meter=3.280 feet). The power house like the dam was built in strong concrete. Special arrangements were also made to regulate shipping and the timber rafts coming down from Russia and Poland on the river Daugava. Special elevators were even made for fish, in order to enable the famous Daugava salmon to pass the Kegums Power Station and to enjoy the waters of the lake 45 kilometers long newly created by the power station's dam.

Here are some statistics regarding the Kegums Power Plant:

For the construction of the Station about 230,000 cubic meters of concrete, 80,000 tons of cement (Portland), 13,200 tons of equipment iron, and a total of 22,000 tons of iron and steel were used; the excavations and earth shifting required 1,300,000 cubic meters to be removed and placed elsewhere (1 cubic meter=1.30795 cubic yards). It took four years to build the power plant and about 2,800 workers were engaged in the work. Altogether some 15,000,000 working hours were spent on the construction. The total cost, however, was not great, and it was done very economically. The costs were:

Lats.....	26,900,659
Swedish Kronor.....	13,442,398
English Shillings.....	10,805,041

Besides the Kegums power plant there were several smaller ones on the river Aiviekste and Yugla, to mention two of the next largest. Plans were to have been worked out for a power plant on the Venta river and for a series of smaller plants

using peat as fuel to balance possible shortcomings during dry summer seasons when it might have been difficult for the water power plants to supply all the energy they had undertaken to deliver. There are, however, periods of surplus power, offering many new prospects for new industries in Latvia, as for instance the aluminum and nitric fertilizer industries.

LABOR LEGISLATION

The law of April 20, 1939, concerning insurance for accidents and occupational diseases and creating the *Accident Insurance Board* was based on the guiding principle that insurance for accidents and occupational diseases is not merely a matter of social aid, but also a state-political problem,—A problem which not only influences social relations and conditions, but in which also questions of industrial enterprise, public health, employment, as well as broad economic interests are involved. The insurance against, and the rendering of aid in, cases of accident has therefore been centralized and rationalized, and the law strives in the first place to prevent accidents, or to reduce their frequency, on the principle that what is harmful to the individual is harmful also to the community or the nation as a whole.

But the self-government principle was by no means dispensed with in the organization of insurance—representatives of the employers as well as the insured employees have seats in the governing bodies which function at the Accident Insurance Board, namely: the Insurance Council and the Pension Commissions. The business of the Council is to furnish expert opinions on matters placed before it by the Minister of Public Welfare, or by representatives of the employers and the insured persons.

The pension commissions are: local ones, and the Main Pension Commission. The local pension commissions are composed of five members: three of them appointed by the Ministry of Public Welfare (the chairman and two medical officers), and one representative each of the insured persons and the employers. The Main Pension Commission is composed in the same way, but it has a sixth member in the person of an appointee of the Minister of Justice. Part of its competence is to examine decisions of local pension commissions, consequent upon complaints from injured persons, or at the instance of the Accident Insurance Board. Findings of the Chief Pension Commission are subject to confirmation by the Minister of Public Welfare.

In reviewing the technical conditions provided for by the law with regard to procedure, extent, funds, and kind of aid to be rendered in connection with insurance for accidents and occupational diseases, attention should first of all be given to the fact that by way of recognizing the title of workmen to compensation in case of accidents and occupational diseases, Latvia has ratified four conventions drawn up by the International Labour Organization, namely: (1) the Convention concerning Workmen's Compensation for Accidents (ratified 20. III. 1928); (2) the Convention concerning Equality of Treatment for National and Foreign Workmen's Compensation for Accidents (20. III. 1928); (3) the Convention concerning Workmen's Compensation in Agriculture (7. VI. 1929); (4) the Convention concerning Workmen's Compensation for Occupational Diseases (7. VI. 1929). However, the Latvian law concerning insurance for accidents and occupational diseases covered on the whole a wider scope than the minimums stipulated in the aforesaid Conventions.

The circle of persons encompassed by the law is defined by the general formula: Accident insurance is compulsory for all paid employees, apprentices, and temporary workers for the sake of practice, irrespective of the amount of their pay or wages. In addition, compulsory insurance applies

also to owners of enterprises of an agricultural nature, small industrialists, fishermen, students of educational institutions employed on practical work, members of volunteer fire brigades, and several other smaller groups. All other persons engaged in any kind of occupation may of their own accord be insured for accidents and occupational diseases in conformity with special provisions to be issued on the basis of this law. Persons employed on casual work or jobs are not subject to insurance, while government-paid workers are insured for accidents and occupational diseases on the basis of other laws.

Although the Accident Insurance Board is a government institution, it is economically autonomous, and manages the accident insurance fund independently. Connected with the said fund is a pension fund, which, as the name indicates, is used for pensions to persons injured.

In accordance with the occupational risks theory, the insurance expenditure is covered by the contributions of the employers. Only the insurance expenditure for hired workers of the fishing trade, for school pupils, members of volunteer fire brigades, and other smaller groups is defrayed from special appropriations under the State budget.

For calculating the contributions of the employers, the Accident Insurance Board, in concurrence with the Ministry of Finance, draws up regulations and a tariff schedule graded upon the danger degree of the branch or the place of work. The regulations and the tariff schedule are subject to confirmation by the Minister of Public Welfare.

The general rule is that the amount of the insurance premium is based on the pay drawn by the insured person, and on the tariff group to which his place of work belongs. By way of exception, also other methods may be provided for in the tariff for calculating the premiums; besides this, the Minister of Public Welfare has also the right to indicate a highest limit of wages or pay on which the insurance premium of the person in question is calculated, even if his pay actually exceeds that limit.

The insurance premiums must be paid at the time and in the way as indicated by the Accident Insurance Board. The Minister of Public Welfare may also make it incumbent on the health insurance societies to collect these premiums when collecting the contributions to the health insurance societies.

The purpose of the insurance is to render aid to persons injured in accidents or suffering from occupational diseases. Accident within the meaning of the law is defined in the following words:

"An accident is an extraordinary event, unforeseen or of brief duration, which has had a damaging effect upon the health or the life of the persons insured." Under the provisions of this law, occupational diseases rank with accidents, and a list of such diseases is published by the Minister of Public Welfare.

Insurance is effective in the event of accidents while at work, or in connection with work, provided only that at the time of the accident the worker was attending to work assigned to him by the employer, or acting under orders from the employer. Seamen are covered by insurance for all accidents which may happen during their term of service, whether on board or ashore. It is within the competence of the Accident Insurance Board to decide whether an accident occurred while at work or in connection with work, and whether a disease is an occupational disease within the meaning of this law.

The employer is under the obligation to notify the Accident Insurance Board of every case of accident or occupational disease, and the injured worker or the members of his family are entitled to medical aid and the insurance compensation. This compensation may take the shape of monetary allowances for the period of temporary incapacity, or of a pension, if the incapacity is permanent. The extent of the monetary allowance is 70% of the average daily pay; but if the injured person is placed in a medical

institution and is not supporter of a family, the allowance amounts only to 50% of the ordinary pay. The amount of the pension depends on the degree of incapacity: if the accident has resulted in total incapacity, the pension amounts to 70% of the ordinary pay; if the incapacity is only partial, the pension is in proportion smaller. If the permanent loss of capacity of the injured does not exceed 10%, a lump sum amounting to five times the annual pension may be paid in lieu of pension; if the permanent loss of capacity ranges between 11% and 20%, the payment of a lump sum ten times the amount of the annual pension may be substituted for the pension at the request of the receiver thereof. A person totally incapacitated as a result of accident or occupational disease, and so helpless that he must be taken care of by another person, is entitled to a pension increased to the full amount of his regular wages or pay.

If the person injured in an accident dies as a result of it within no more than three years after the day of the accident, the members of his family are entitled to a funeral allowance amounting to 40 days ordinary pay and to a pension which must not, however, exceed the amount of the deceased person's regular pay.

The degree of temporary disability, and along with it the right to a monetary allowance, is determined by the medical officer of the Accident Insurance Board, but the permanent loss of capacity and the amount of pension are determined by the pension commission, which also settles disputes concerning the necessity, or otherwise, of medical aid. The right of the injured person to insurance compensation becomes void in the event of evil intent on his part either with regard to the accident itself, or to medical treatment of the consequence thereof.

The competence of the Accident Insurance Board comprise also participation in activities aiming at the elimination of accidents and at counteracting their effect, for example, by inspection of places of employment, by granting rewards for acts of life-saving in accidents, gratuities and bonuses for inventions and improved methods for preventing accidents and eliminating harmful working conditions; and by establishing institutions for the medical treatment of injured persons, for assisting them in recovering their working capacity, and for instructing them in suitable occupations.

LABOR INSPECTION AND INDUSTRIAL INSPECTION

The Constitution of the International Labour Organization (Versailles Peace Treaty, Article 427, Clause 9) stresses the following as a particularly important principle and an urgent task: Each State should make provision for a system of inspection in which women would take part, in order to ensure the enforcement of the laws and regulations for the protection of the employed. The Fifth Conference of the International Labour Organization, in 1923, adopted a recommendation in which the general principles of labor inspection were set forth, and it is this Recommendation which largely underlies the Latvian law of May 6, 1939, organizing labor inspection.

According to this law, inspection of labor conditions is incumbent on the Labor Protection Board of the Ministry for Public Affairs, its principal task being to ensure the observance, at the various places of employment, of the laws, regulations, and orders issued for the purpose of protecting the lives and the health of the employed, and promoting their well-being. This broad formulation may be held to embrace also all the other tasks of the Labor Inspection as specified in the law. The staff of the Labor Inspection is composed as follows: the Chief of the Labor Inspection; Labor inspectors for such special duties; district labor inspectors; and assistant labor inspectors. These officials had authority without preliminary notification of their arrival to visit and to inspect the places of employment within their

jurisdiction, to question employers and employed on the spot or else to summon them to their offices, to order cessation of operations at an establishment or other place of employment where conditions are unsafe or harmful to an extent endangering the lives of the employed, and where it is impossible to redress such conditions without delay; likewise had these officials authority to organize joint conferences of employers and employees, and so forth.

Direction of and supervision over the activities of the Labor Inspection laid in the hands of the Chief of the Labor Protection Board, who, *inter alia*, also determined the boundaries of the several labor inspection districts, and dealt with complaints against officials of the Labor Inspection. Delimitation of the functions of the several district labor inspectors is governed by the territorial principle, but in the carrying out of special tasks the labor inspectors work in definite special branches.

In connection with this brief summary of the activity of the Labor Inspection, mention should also be made of the Law concerning Industrial Inspection (May 5, 1939), the character of which is not that of a social law, but which reveals clearly the division of competence between these two Inspections.

The Industrial Inspection was subordinated to the Department of Commerce and Industry of the Ministry of Finance. Its functions comprised, among others, the following: to ensure the observance of the law concerning industrial and artisan establishments; to supervise boilers and levy the boiler tax; to supervise economizers and levy the economizer tax; besides this, to supervise the technical equipment for ensuring convenience, order, and safety in industrial and artisan establishments, and to furnish expert opinion on accidents at industrial and artisan establishments in so far as technical means and measures of protection are involved.

In the field of the last mentioned tasks, the functions of the Labor Inspection and the Industrial Inspection become contiguous: protection against accidents, is the principal and common sphere in which the responsibilities of the two Inspections meet. Interpretation of the two laws has led to a division of the various functions in such a way that technical supervision devolves on the Industrial Inspection, while social and hygienic-sanitary supervision is the province of the Labor Inspection. Concretely expressed: the Industrial Inspection superintends all safety measures and protective devices in connection with machines, tools, working implements, etc., while the Labor Inspection is concerned with the individual protection of the persons employed, attending to such articles as goggles, protective clothing, and so forth.

COMMERCE

Latvians have been commerce conscious from times immemorial. As a matter of fact, their history begins with the amber trade and seafaring. Excavations (at Jersika f. i.) prove that already in early medieval times Latvians had various trades, and artisans produced pottery, instruments, utensils, cloth, rope, etc., for markets. The ancient Latvians also knew the importance of money as a medium for the exchange of goods, which is proved by large deposits of coins discovered during archaeological excavations on the more important economic sites of the ancient Latvians, for instance, at the old *Daugmale* Port. The Latvian word for goods is "prece" (cfr. Latin *pretium*). The Latvians probably also participated in the Viking trade during the period when the Vikings used the Daugava as their *Austrvaegr* to Byzantium. The Latvians also collaborated with the first German traders, who came to Riga after the Vikings.

In spite of restrictions placed on commercial and seafaring activities during the Hanseatic-Livonian period, the Latvians preserved their commercial activities at least in local commerce. The worst period was that of Russian domination in the eighteenth century, when Latvians were almost forbidden to participate in local commerce. During the nineteenth century Latvian commerce revived, but the Latvians had to struggle against the monopolistic tendencies of the small, but very influential at the tsarist court, German national minority. Besides, a new competitor arose in the persons of dynamic Jewish traders, who began to settle in Latvia.

By the end of the nineteenth century the Latvians, despite the odds, renewed their seafaring and had attained a considerable part in local commerce, particularly in retail trade in Riga and the country. However, only after Latvia's independence did commerce become free to all classes of the population, commercial education became more accessible to Latvians, and Latvian participation in commercial enterprises increased.

By commercial enterprises are meant not only trade, but also transport, hotel, hygienic, cleaning, entertainment, cosmetic and other establishments of a commercial nature, including insurance and credit institutions.

The commercial census of June 26, 1935, revealed the following picture:

<i>Type of Enterprise</i>	<i>Number</i>	<i>Percent</i>	<i>Persons employed</i>	<i>Percent</i>
Wholesale and retail trade enterprises.....	30,573	66.2	56,350	59.3
Auxiliary trade enterprises...	849	1.8	2,185	2.3
Hotel business.....	2,754	6.0	7,654	8.0
Communication and Transport (taxis, coaches, buses, forwarding, etc.).....	5,391	11.7	12,167	12.8
Entertainment (movies, theatres, circus, floor shows, bands, etc.).....	282	0.6	1,311	1.4
Hygienic and Cosmetic (barbers, masseurs, etc.).....	4,588	9.9	10,823	11.4
Insurance and Credit.....	1,736	3.8	4,532	4.8
Total.....	46,173	100.0	95,002	100.0

Specifically, wholesale and retail trade establishments varied according to the number of employees.

<i>Type</i>	<i>Number of establishments</i>	<i>Percent</i>	<i>Total Number of persons employed</i>	<i>Percent</i>
1-5 persons employed.....	29,785	97.4	46,272	82.1
6-50.....	711	2.5	8,574	15.2
51 and more.....	17	0.1	1,504	2.7
Total.....	30,573	100.0	56,350	100.0

Juridical character of trade enterprises

	<i>Number</i>	<i>Percent</i>
Individual merchants.....	28,899	94.5
Partnerships.....	462	1.5
Limited Partnerships (Komandit).....	100	0.3
Shareholder enterprises (paju).....	43	0.2
Joint Stock Companies.....	390	1.3
Cooperative enterprises.....	489	1.6
Non Profit enterprises.....	19	0.1
State enterprises.....	121	0.4
Municipal enterprises and other.....	50	0.1
Total.....	30,573	100.0

Origin of Trade Enterprises

<i>Year when founded</i>	<i>Number</i>	<i>Percent</i>
Until 1900.....	1,337	4.4
1901-1918.....	2,758	9.0
1919-1925.....	7,609	24.9
1926-1930.....	6,236	20.4
1931-1935.....	12,633	41.3
Total.....	30,573	100.0

Of all existing trade enterprises 15 were found in the seventeenth century, 26 in the eighteenth, and only 2,346 in the nineteenth century. The number of enterprises founded in independent Latvia formed 85.7% of all active trade enterprises in 1935.

Distribution of Enterprises (of all kinds) by Nationalities

Nationality	Percent of popula- tion	Number of enter- prises	Percent	Number of employed persons	Percent
Latvian.....	77.0	27,164	58.8	51,757	54.5
Jewish.....	4.54	11,295	24.4	23,943	25.2
Russian.....	10.58	2,498	5.4	4,177	4.4
German-Balt.....	2.96	2,442	5.3	7,779	8.2
Polish.....	2.22	1,277	2.8	1,816	1.9
Lithuanian.....	0.65	633	1.4	803	0.8
Estonian.....	0.30	192	0.4	340	0.4
Other (English, German, etc.)	0.42	404	0.9	1,177	1.2
State and Municipal.....		268	0.6	3,230	3.4
Total.....	100.00	46,173	100.0	95,022	100.0

Distribution of Trade Enterprises by Nationalities

Latvian.....	16,581	54.2	27,104	48.1
Jewish.....	9,433	30.9	19,851	35.2
Russian.....	1,794	5.9	2,943	5.2
German-Balt.....	1,188	3.9	3,494	6.2
Polish.....	746	2.4	999	1.0
Lithuanian.....	325	1.1	411	0.7
Estonian.....	113	0.4	199	0.4
Other nationalities.....	260	0.8	638	1.1
State and Municipal.....	133	0.4	711	1.3
Total.....	30,573	100.0	56,350	100.0

In all commercial establishments, including trade, in 1935. 95,002 persons were employed, of whom only 41.5% were hired employees or 39,407, and 1,822 apprentices (1.9%). The rest were proprietors and members of their family. Almost the same picture is to be found in trade enterprises, in which only 29.7% of the personnel were hired employees (16,757), and 1,080 apprentices (1.9%), but the rest (38,513) were proprietors and members of their family.

Categories of Enterprises in 1937.

A somewhat different picture of commercial enterprises is to be gained from considering their registration in the Commercial Register. All commercial enterprises were divided

into five categories according to size. To the first and second category belonged the largest enterprises, the middle and small enterprises to the 3, 4, and 5th category.

To the first category belonged only 1.4% of all enterprises, to the second—1.8%, to the third—3.9%, to the fourth—37.8%, and to the fifth—55.1%. The smallest enterprises (peddlers, coachmen, taxis, lunch-stands, newspaper stands, open-air vendors, etc.) did not have to register.

*Distribution of Categories of Commercial Enterprises (incl. trade)
by Nationalities.*

	Latvian	Jewish	Russian	German- Balt	Polish	Other	Total
I category	189	250	8	76	1	30	554
II “	236	330	6	110	2	28	712
III “	607	663	46	145	5	42	1,508
IV “	7,962	4,902	757	623	210	243	14,697
V “	13,099	5,097	1,544	693	528	437	21,398
Total	22,098	11,242	2,361	1,647	746	780	38,869

Movement of Commercial Enterprises (incl. trade) in Percentage

Type	Year	Latvian	Jewish	Russian	German- Balt	Polish	Other
I & II.....	1933	27.3	48.6	1.7	16.6	0.3	5.5
	1937	33.6	45.8	1.1	14.7	0.2	4.6
III, IV and V categories	1933	56.7	28.0	5.9	4.8	2.0	2.6
	1937	57.6	28.4	6.2	3.9	2.0	1.9

From the above it is evident that of the 554 larger, 1st category enterprises, the Latvians, forming 77% of the entire population, possessed only 189 or 34%, and of the 712 second category enterprises only 236 or 33%. The Jewish (4.54% of the total population), and the German-Balt (2.96%), national minorities in 1937 possessed exactly 60.5% of all enterprises. Thus they certainly could not complain about discrimination.

Turnover of Commercial Enterprises (including trade) in million lats

Year	Trade Establishments	Other Commercial Establishments	Total
1933.....	750.3	112.3	862.6
1934.....	821.3	117.0	938.3
1935.....	897.3	119.7	1,017.0
1936.....	1,069.5	126.4	1,195.9

The part played by all Latvian cities in the commercial turnover was Ls. 1,089,800,000, while by the country districts it was Ls. 106,100.00. However, the role of the city of Riga was overwhelming: Ls. 790,600,000.

As the majority of the Latvian commercial enterprises was concentrated in the cities, it is little wonder that the cities showed a 10 times bigger turnover. The soundness of commercial enterprises is proven by the fact that bankruptcies systematically diminished from 129 in 1933, to 120 in 1934, 60 in 1935, 64 in 1936, and 68 in 1937. The amount involved has diminished from Ls. 6,974,000 in 1933, to Ls. 862,000 in 1937. And again, about two-thirds of all bankruptcies occurred in Riga.

The data presented above prove that Latvia was a typical small business country. Often artisans sold their produce in their shops (cobblers, tailors, etc.) Regardless of modernization of trade methods the traditional country fairs and monthly markets continued as before; also cooperative marketing developed continuously, particularly in the country districts far from cities. Although municipalities vied in building of covered market halls, farmers preferred to sell their surpluses in open markets. As previously mentioned, the food markets in the cities were subjected to hygienic control, as were restaurants, food stores, and lunch stands.

EXCHANGE SOCIETIES

Such societies were in Riga, Liepaja and Ventspils. The Exchanges were the places where business interests of its members were coordinated, contracts concluded, quotations of prices, foreign valutas and checks were made, and information was supplied. The Riga Exchange Society, founded in 1816 selected a Committee (Birzhas Komiteja) which served the interests of its members: exporters and importers, insurance and credit institutions, industrial enterprises, agricultural organizations and shipowners resident in Riga. The Riga Exchange had its Exchange Bank. The Riga Exchange also supervised the Riga Port and was the keeper of commercial usances and traditions. Attached to the Riga Exchange Committee were three sworn Exchange Brokers, three Sworn Auditors, one Average Adjuster and the Riga Watershout. The Riga Exchange Committee had certain cultural merits. It had participated in 1862 in the foundation of the Riga Polytechnic Institute, and contributed to the upkeep of the Riga Commercial School, the Navigation School, the School for Firemen and Machinists, and the Riga Seamen's Home. The Committee also financed the publication of the *Riga Commercial Archives* and

the *Riga Exchange Gazette*. After the proclamation of Latvia's independence the Riga Exchange Committee continued its activities but only as the local representative organ, and the organ of the wholesale trade, in which capacity the Committee watched over import and export trade, banking, shipping and the constructive development of the port of Riga. The representation of industry had become the domain of special industrial organizations.

THE LATVIAN CHAMBER OF COMMERCE

This Chamber, founded in 1935, was a national institution, and on a broad scale represented the national interests of commerce and industry. However, the Exchange Societies, as old established centers for conducting business and for the mutual exchange of information by merchants and manufacturers, were recognized as requisite to the Latvian economic organism and were accordingly remodeled so as to be in gear with the Chamber of Commerce and Industry. Along with this, certain rights and duties of the local Exchange Societies were transferred from these organizations to the Latvian Chamber of Commerce and Industry, namely: the right to establish and maintain various institutions, structures and conveniences for promoting and furthering commerce, industry, and shipping; to represent and protect commercial, industrial, and shipping interests before the Government and communal authorities; to appoint arbitration courts for the settlement of disputes and conflicts; to conduct expert examinations, if requested to do so, and to submit information and opinions regarding commercial and industrial matters to Government institutions. The Latvian Chamber of Commerce and Industry also assumed control over the Sworn Weighers, Sworn Auditors, and Average Adjustors. The activities of the Riga Harbor Watershout were placed under the jurisdiction of the Marine Department. Also in the matter of establishing, recognizing, and defining commercial usages, the various functions were divided between the Chamber and the Exchanges, thereby eliminating all possible parallelism in their functioning. The Chamber also took over the promotion of commercial and technical professional instruction. The Chamber published a *Trade Directory*, the quarterly *Latvian Economic Review*, and opened The *Inquiry Office* for information of foreign merchants, trading and industrial enterprises, banks, shipping and insurance companies, etc.

REFORM OF RIGA EXCHANGE

The importance of the Exchange Committees dwindled steadily, and in 1937-38 the Liepaja and Ventspils Exchanges

wound up their affairs of their own accord. Thus the Riga Exchange Committee became the sole organization to attend to the Exchange work in the country and particularly in Riga, where the foreign trade of Latvia was mostly concentrated. The chief activities of the Riga Exchange embraced: timber trade and shipping. Also the Foreign Currency and Securities Quotation Committee of the Riga Exchange was busy. Some Latvian securities were quoted at the Exchange: bonds of the Mortgage Bank, the State Agrarian Bank, the Kegums, etc. However, the Riga Exchange was still an exclusive Committee of only some 150 (out of more than a thousand) Riga merchants and industrialists. By exclusively narrowed limits of eligibility for membership with the help of a well organized secret ballot system this exclusive group for decades held the controls in the Society. Eventually, on July 10, 1939, the Latvian Government issued a law bettering the situation. The provisions governing membership were radically changed, and along with this, also the administration of the institution was democratized. No more members were selected by the Committee (like in medieval Guilds), but all merchants who held trade certificates of the I and II categories, and all manufacturers possessing I, II, or III category certificates *ipso facto* became members of the Exchange Society. Thus, for the first time in the history of the Riga Exchange also Jewish merchants and industrialists became members of the exchange. The Committee itself was replaced by the *Delegates Assembly* of the Exchange Society, the *Exchange Board* and the *Auditing Commission*. The tasks of the Exchange were amplified and more precisely formulated. Increased attention was to be paid to the collection and publication of relevant information required by merchants and manufacturers, such as particulars concerning prices, daily rates of Exchange, quotations of securities, the turnover of goods, the movement of ships, averages, and information from Exchange brokers. The institution of correspondents of the Riga Exchange was introduced.

SOCIAL AND CULTURAL ACTIVITIES

Latvian merchants had their associations and clubs, which endeavored to become centers of social activities of their members including cultural work. Fellowships were created for orphans and more advanced pupils. The Merchant Associations supported special courses for bookkeepers, clerks and correspondents. The English Institute had special courses for English correspondents. Two Commercial Institutes with rights of universities functioned in Riga beside the Economic Department of the State University. The Merchants Association of Riga had its own weekly publication and fostered the

spreading of necessary and valuable information for their members. Particular interest was paid to good advertising and to this effect advertising contests with prizes were arranged yearly. The newspapers took a vivid part in this initiative.

Good salesmanship was promoted and particularly were emphasized good manners of salesmen dealing with buyers. The Riga salesmen and sales ladies were prominent by their knowledge of several foreign languages.

TAX AND COMMERCIAL LEGISLATION

After the establishment of the Latvian independent state the former Tsarist Russian Law for Taxes (Volume V of the Russian Collection of Laws, edition, 1914), the Law for Commerce (Volume XI of the Russian Collection of Laws, edition 1903), the Patent Law, the Regulations about hall-marks and other regulations concerning industrial and commercial establishments were invalidated. Eventually also these laws, like the Penal Code and Civil Law, were adapted to Latvian realities. The revised Latvian Tax Code was passed in 1928, and in 1938 published in its final version, which has 482 paragraphs and several appendices. The income tax was levied according to a progressive sliding scale.

The Commercial Register Law was passed in 1934, the Law about Joint Stock Companies in 1937, the Corporation Law in 1938, and in the same year the Bills and Notes, and the Check Law.

Chapter 20 of the Penal Code of 1933 dealt with infractions against Commercial and Industrial Regulations.

GENERAL RULES OF TAX CODE

§14. The income tax shall be levied upon all types of income which the taxpayer derives from the following income sources:

- (1) From capital;
- (2) From real estate;
- (3) From commercial and industrial enterprises;
- (4) From salaries and wages;
- (5) From engaging in free professions, and
- (6) From various other sources of income.

§15. The income tax shall be levied upon:

- (1) Physical persons, regardless of their citizenship, who:
 - (a) reside in Latvia permanently, or who have entered Latvia during the fiscal year and have resided here with interruptions or uninterruptedly for at least six months;

Note.—Upon taxpayers leaving Latvia, the income tax for the year of departure, if it is levied only upon the salary or supplementary salary of the emigrant for the previous year and if it terminates with the departure of the taxpayer, shall be assessed in proportion to the time resided in Latvia during the year of departure if this period does not exceed six months, and part of a month shall be calculated as a full month. But

the tax upon the income of the year of departure, if the income should consist only of salary or supplementary salary and should terminate with the departure of the taxpayer, shall not be assessed at all.

- (b) Have entered Latvia during the fiscal year for a period up to six months—upon their income actually derived in Latvia during that year, without estimating it as the income for a full year;
 - (c) Reside outside of Latvia—upon such incomes as they derive from commercial and industrial establishments owned by them, from real estate owned, administered or exploited by them, from dividends or interest derived from invested, deposited or loaned capitals, as well as from pensions, subsidies and salaries if the sources of income mentioned in this clause are within Latvia;
- (2) Corporate bodies:
- (a) If their headquarters, administering enterprises or property are within Latvia—upon all incomes mentioned in Article 14, and
 - (b) If their headquarters administering enterprises or property outside of the frontiers of Latvia—upon income which they derive from commercial or industrial enterprises owned by them and from real estate owned, administered or exploited by them, as well as from dividends or interest derived from invested, deposited or loaned capitals, if the sources of these incomes are located within Latvia;

- (3) Inheritances lying dormant as of January 1 of the fiscal year.

Commercial Register.—All commercial enterprises, with the exception of those individual merchants whose business does not exceed in size a petty enterprise, had to be registered in the Commercial Register. Commercial Register sections were attached to the district courts and their district coincide with that of the court. Each enterprise (*firma*) was registered on a separate page in one of the two parts of the Register: in part A were registered (a) individual businessmen, (b) partnerships, (c) limited partnerships (*komandit* companies); in part B were registered stock companies and other corporations established on the basis of a charter. The individual merchant had to supply the following information: 1. name of the firm; 2. merchant's (owner's) full name, place and date of birth, place of residence, and if the merchant is not a Latvian citizen, his citizenship; 3. type of business; 4. location of the business; 5. date the business was started; 6. location of the branches or the location of the main business; 7. procurator; 8. the lease of the enterprise, in which case the same information must be provided as concerning the owner; 9. the merchant's marital contract concerning the property settlement of the spouses, if such a contract was made. Regarding partnerships and limited partnerships (*komandit* companies) the following data had to be entered in the Register: 1. name of firm (*firma*); 2. the type of partnership; 3. full name, place and date of birth and place of residence of the members who are personally liable, and if any of the latter are not Latvian citizens, also their citizenship; 4. the full names of those who have special powers of attorney to represent the partnership; 5. type of business; 6. the location of the partnership; 7. the date the partnership was established; 8. the date the partnership began its activities; 9. the location of the branches or the location of the main business; 10. the number of partners and the total of their shares; 11. procurator (full names); 12. the lease of the enterprise, in which case the same information must be provided as regarding the owner; 13. the marital contract concerning property settlement of the spouses in the case of those members who are personally liable.

Regarding foreign stock companies and other corporations, which were established on the basis of a charter and who had the permit to operate in Latvia, the following information had to be supplied: 1. name of firm; 2. purpose of the corporation; 3. the period for which it was established, if it was established for a limited time; 4. the date when the corporation was registered or the charter drawn up. 5. the location of the corporation abroad; 6. the location of the branch in Latvia; 7. the capital stock; 8. the capital assigned for operation in Latvia; 9. the full name, place of residence and citizenship (if not Latvian) of the responsible representative in Latvia; 10. the right of the representative to sign; 11. procuration for the Latvian branch; 12. date when the permit to operate in Latvia was issued; 13. the date of registration in Latvia; 14. the number and date of the publication of the Ministry of Finance, where the conditions on which the permit was issued appear; 15. the date when the branch starts functioning.

If the individual merchant or one of the personally liable members of the partnership was not a Latvian citizen, the respective enterprise could start operation only after its registration in the Commercial Register has been completed. Foreign corporations had also to be registered before operation of the branch may begin. The Ministry of Finance kept a list of all commercial enterprises registered in the territory of Latvia.

Corporations.—Latvian law recognizes natural and juristic persons. The latter are the state, local governmental units, associations of persons, offices, foundations and aggregates of things which have been assigned juristic personality. Some of the commercial enterprises are recognized to be juristic persons (corporations). The most important ones are the joint stock companies, which are regulated by the law of 1937. According to this law a stock company is a company with the rights of the juristic person (corporation), the participants in which participate with their deposits in the basic capital, which is divided into shares, and who are not responsible personally for the obligations of the company. At least 5 persons are required to form a stock company and of these at least 3/5 must be Latvian citizens. The name of the stock company must contain the words *akciju sabiedrība* (a/s). Stock companies operate on the basis of their corporate charter, which must be authorized by the Minister of Finance. The stock companies must also be registered in the Commercial Register. The law sets as the minimum capital stock Ls. 100,000, with Ls. 1,000,000—for insurance companies and Ls. 3,000,000—for banking stock companies. The shares are to be determined in the corporate charter, but they cannot be less than 100 lats each. The law foresees also the issue of preferred stock. The 1937 law provides also for another type of joint stock company, namely the so-called *paja* company, with a minimum capital stock of 10,000 lats and the shares of at least 50 lats each. For the operation of foreign stock companies, *Komandit* companies as well as other foreign companies with limited responsibility in Latvia a permit by the Minister of Finance is necessary. As foreign are regarded such corporations which are formed in accordance with the laws of a foreign country, or whose place of formation or operation is abroad. A petition addressed to the Minister of Finance in order to obtain such permit had to contain: the name of the firm and the purpose of its operation in Latvia; the size of the capital stock abroad and the capital to be used for operation in Latvia; the full name, address and citizenship of the responsible representative. Attached to the petition had to be: 1. the corporate charter and a Latvian translation thereof; 2. a certificate issued by the respective foreign authority that the company is duly incorporated or registered; 3. a certificate by a Latvian consulate or legation that in accordance with the laws of the respective country, comparable Latvian companies enjoy the same rights as those which the foreign company requests in Latvia; 4. an excerpt from the minutes of the meeting of the stockholders

concerning the establishment of a branch and assignment of funds for operation in Latvia, if this is not provided for in the charter; 5. the balance, earnings and losses for the last two years, approved by the meetings of the stockholders; 6. the power of attorney to the person who will sign for the company the rules concerning the activities of the company in Latvia; 7. a certificate by a Latvian consulate or legation that the documents attached to the petition are in accordance with the laws of the respective country. As its representative the company must appoint a person whose permanent place of residence is in Latvia and who is authorized to represent the company in the courts in all cases that may come up in connection with the activities of the company in Latvia and to decide independently all questions in regard to the company's activities in Latvia. The branch must keep all accounts pertaining to operations in Latvia; all its correspondence with state and local government offices must be carried on in Latvian; it must attach to the firm name the name of the country where the central board of directors is located. In all its operations, the branch is subject to the Latvian laws and regulations.

Bills.—A Bill of exchange (*trata*) in accordance with Latvian law, is an unconditional written order in the form required by law, addressed by the drawer to the drawee to pay a definite sum of money at an indicated time to a specified third person or his order. In order to be a valid bill of exchange it must contain: 1. a statement that it is a bill of exchange; 2. an unconditional order to pay a definite sum of money; 3. the drawee's name; 4. the time at which the payment must be made; 5. the place where the payment must be made; 6. the name of the payee; 7. the date and place of issue; 8. the signature of the drawer. If any of the above requirements are missing, the instrument is not a bill of exchange, with the exception that a bill in which the time of payment is not indicated is to be regarded as a bill payable on sight. Unless the drawer forbids it, any bill of exchange may be presented for acceptance. The drawer may direct that the bill must be presented for acceptance. If acceptance is refused, the payee must protest the bill because of non-acceptance. In that case he does not need to present the bill for payment and to protest it because of non-payment. If payment is refused, the bill must be protested. In the case of protest because of non-acceptance or non-payment, the payee may request payment from the endorsers or the drawer, and in the case of non-acceptance even before the bill is due. Non-compliance with the regulations of the stamp tax does not make a bill of exchange invalid, but it can be made use of only after the due amount has been paid.

Notes.—A promissory note is an unconditional promise in writing executed in the form required by law, to pay a definite sum of money at the time indicated to the person named in the note or to his order. In order to be a valid promissory note, it must contain: 1. a statement that it is a promissory note; 2. an unconditional promise to pay a definite sum of money; 3. the time at which the payment will be made; 4. the place of payment; 5. the name of the payee to whom or to whose order the payment will be made; 6. the time and place at which the note is made out; 7. the signature of the maker. If any of the above requirements are missing, the instrument is not a promissory note, with the exception that if the time of payment is omitted, it is regarded as an at sight note, and if otherwise not stated, the place of issue is to be regarded also as the place of payment. A promissory note is invalid if not properly stamped at the time of issue. If the payment is refused, the note must be protested.

Most of the provisions regarding bills of exchange apply equally to promissory notes. Both promissory notes and bills of exchange are by their nature "order instruments" and may be endorsed without expressed permit to that effect, but transfer by endorsement may be forbidden by the drawer

or the maker or the endorser. They can be made out for payment 1. at sight, 2. at a certain definite time after presentation, 3. at a certain definite time after issue, 4. on a certain date. The amount of money must be written out. It is usually given also in figures, but the words in the body of the text govern in case of doubt. If a bill or a note fall due on a holiday, the payment may be requested on the next succeeding business day. This rule applies also to other transactions such as protest and presentation for acceptance. The Latvian law does not provide for any period of grace.

Checks.—Latvian law follows the generally accepted concept of the check. It is an unconditional written order to a banking establishment to pay on presentation thereof to the person named in the check or to his order, or to the bearer a certain sum of money out of the funds the drawee has in a checking account in said bank. In order to be valid, a check must contain the following: 1. a statement that it is a check; 2. an unconditional order to pay a definite sum of money; 3. the name of the banking establishment; 4. the place of payment; 5. the time and place of issue; 6. the signature of the drawee of the check. Checks are always payable at sight. A check which is filled out in the same country in which it is to be paid must be presented for payment in the course of eight days. A check which is made out in a different country, must be paid in twenty or seventy days, depending on whether the place of issue and of payment are in one and the same or different parts of the world. Death of the drawer of the check after the issue thereof does not affect the check.

On the whole the same rules apply to inland as well as to foreign bills and notes. Some of the special provisions regarding foreign bills are as follows. If a bill is written out in a currency different from that of the place of payment, it can be paid in the currency of that place at the exchange rate of the day on which the payment is made. However, the drawer himself may state the rate of exchange in the bill. The drawer also may order the payment to be made in a specific currency, which may be disregarded, however, if extraordinary conditions in Latvia affect the exchange rates. As to its form the bill must satisfy the rules of the country where it was made out. The rights, liabilities and duties of the acceptor of a bill of exchange and of the maker of a promissory note are to be determined on the basis of the laws of the place of payment. To other persons whose signatures appear are applicable the laws of the countries where the signatures were made. A person's legal capacity to be maker, drawer, endorser, acceptor, etc., of bills and notes is to be determined on the basis of the laws of the country of which he is a citizen.

Bills of exchange, promissory notes and checks can be guaranteed (*avals*) by a third person or by one of the persons who signed the bill except, of course, the drawee or the bank on which the check is drawn.

Assignment.—Demands can pass from the former creditor to the new one by assignment on the basis of: 1. a law; 2. a court decision; 3. a legal act. Assignment can be executed in any form; however, if the rights in question are based on a written instrument, then it is necessary aside from giving the latter to the assignee, either to make a notation on it or to prepare a special document regarding the assignment. One can assign only rights which do not specifically involve the person of the original creditor. The debtor's consent is not required and the assignment is valid if even he does not know anything about it. The assignee has all the rights of the creditor, he can transfer his rights by further assignment, etc.

Lien.—The right to detain personal property belonging to another until some claim has been satisfied is admissible only if possession of the property has been obtained legally and if the claim is connected with this property. The right of retention continues until the claim is satisfied, or until the possessor gives up possession of the thing.

Execution.—According to the rules of Latvian civil procedure, execution of a judgment of the court may be directed at the defendant himself or his property. I. The defendant himself may be ordered either to perform a certain action or to refrain from doing a certain thing; II. The defendant's property may be used to satisfy the judgment. His property may be ordered seized and sold by the court executor: 1. personal property: a. movables which are in the possession of the defendant; b. securities (bonds, stocks, etc.) which are in the possession of the defendant; c. the defendant's movables and funds which are in the hands of third persons; d. the defendant's funds which are in some governmental court or credit institution; e. the defendant's salary, wage, pension and other periodic income. 2. real estate; 3. or some real or personal property may be taken away from him and given to the plaintiff. III. Finally certain measures construed to compel the defendant to satisfy the claim may be prescribed.

The following personal property was exempt from execution to satisfy a money judgment: 1. a complete everyday outfit for the respective season; 2. linen and dishes in sufficient quantity for everyday use by the defendant and his family; 3. bedding and beds; 4. food and wood found in the house of the defendant in sufficient quantity for one month; 5. the defendant's family documents and other papers, with the exception of notes, stocks, bonds, etc. 6. the necessary uniforms of persons in active service; 7. one milking cow per family and feed for one month; 8. movables which according to the civil code are considered accessories of the real property; 9. agricultural equipment and seed indispensable in agriculture; 10. cash which does not exceed the prorated portion of the defendant's wage, salary or pension until the next payday; 11. books, instruments and tools which are indispensable for the defendant in earning his living; 12. fishing tackle of professional fishermen.

Patents.—The Patent Office within the Commerce and Industry Department of the Ministry of Finance was in charge of granting and registering patents. A temporary certificate was given upon application for a patent and the patent was published in the *Valdības Vestnesis*, the government Herald. Within three months objections could be raised against granting the patent. If such objections were raised, the Patent Office withheld granting the patent and allowed time for the person raising objections to bring suit in court. Patents were granted for 15 years. In case of non-use of a patent one could request the annulment of the patent (usually not before five years) or the granting of a compulsory license to use the patent for a remuneration determined by the court. Patents could be granted for new objects and materials, new methods of work or production and new methods of utilization of already existing objects. Transgressions against the rights of patent holders were punishable by criminal law. In order to file an application for a patent, a foreigner had to have a representative. In order to be protected in Latvia, foreign patents had to be registered in the Patent Office. The Patent Office published a list of the patents granted each year and kept a public patent register.

SHIPPING

Next to agriculture and industries, seafaring gradually became an important occupation of Latvians.

Latvians themselves owned as of January 1, 1940:

Steamers.....	96 with	200,142 br. tons
Sailing vessels.....	7 “	921 br. tons
Total.....		103 ships with 201,063 br. tons

They were all cargo ships and presented an important part of the national wealth of the Latvian people.

SEA PORTS

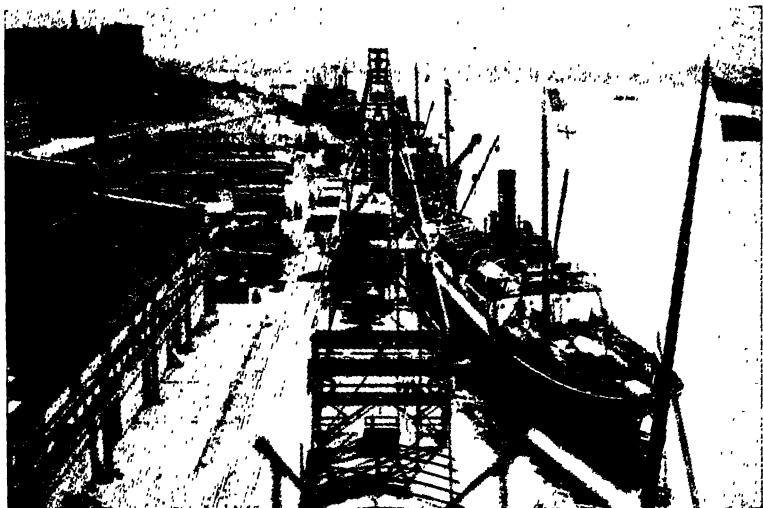
The principal Latvian ports are located at the mouth of great rivers. These rivers not only afford safe access to the ports, but also serve as waterways for the floating of logs. The largest Latvian forests are situated in close proximity to the waterways leading to the principal Latvian ports.

The port of Riga is Latvia's principal port. Centrally located at the mouth of the Daugava, where railways and high-roads cross from different parts of Latvia, Estonia, the Soviet Union, Poland and Lithuania, the port of Riga is a natural point of attraction in Baltic maritime traffic. It stretches over and along both banks of the Daugava, from the mouth of the river in the Gulf of Riga to over 15 km. upstream. As there are only slight tidal changes in the Baltic Sea, the port of Riga is one of the natural European ports which can be regarded as absolutely safe and convenient.

The upper part of the port is used mostly for rafting timber. It may be observed, in passing, that Riga was the largest timber port in Europe before the war. Over half a million standards of sawn goods passed through the port of Riga every year in the pre-first World War period of high conjuncture.

Among the other exports from Riga were flax, linseed, butter, bacon, gypsum and paper. Riga was not only an important center of Latvian export trade, but also a busy import station, and there are excellent facilities for handling the various kinds of seaborne freight which is brought to Riga, among which we find large quantities of coal and coke, naphtha, salt, herring, fruit, cotton, fertilizer and machinery.

Near and around Riga are located important industries, such as rubber, textile, cement, saw-mills, pulp and paper mills, ceramics, chemical, fish canning and others.



Harbor of Riga

The lower part of Riga harbor is the center of Latvia's overseas traffic. This region is subdivided into several special harbors and sections, such as the Eksportosta, Andrejosta, the Customs quay, the town quay and Kīpsala. The town quay, by the way, is one kilometre long and is used mainly for berthing the many steamers engaged in regular passenger and freight traffic.

There were some regular steamship lines between Riga and British ports. The United Baltic Corporation maintained regular steamship service between Riga and Scottish ports. Furthermore, many Latvian vessels were engaged in tramp service between Riga and British ports; on the whole, it may be said that about one-fourth of the net tonnage operating in the port of Riga was engaged in direct traffic with Great Britain.

There was also regular steamship service on the lines—Riga-Hamburg, Riga-Stettin, Riga-Gdynia, Riga-Antwerp, Riga-Stockholm, Riga-Tallinn and also a direct service between Riga and North American ports, which was maintained by the United Shipping Company of Latvia. Much importance was attached to this new Latvian-American Line, as a means of further cementing the friendly relations which already existed between Latvia and the Western Hemisphere.

With regard to navigation in the port of Riga, it may be observed that 1,778 vessels entered the port in 1938, and they aggregated 1,043,302 net registered tons. The port of Riga is open practically the whole year round, but when ice accumulates in the Gulf, navigation is maintained in the port by the Clyde-built icebreaker "Krisjānis Valdemārs".

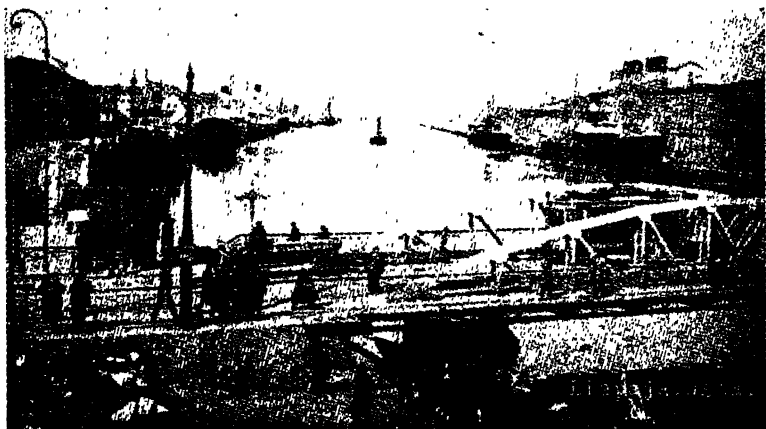
Three large Latvian rivers, viz., the Daugava, Lielupe and Gauja, converge into the port of Riga. The length of the waterway of these rivers and their tributaries within the confines of Latvia is more than 3,100 km., about 70% of the total length of all internal Latvian waterways.

The port of Liepaja, situated on the eastern shore of the open Baltic Sea, is the second largest port and the second largest industrial town in Latvia.

In the subsequent process of economic reconstruction special attention was paid to the resumption of navigation and the adaptation of Latvian shipping to the altered post-war economic conditions. Such a new adaptation was particularly necessary in the port of Liepaja. For it must be remembered that before the first World War Liepaja was linked with the vast Ukrainian hinterland by the Liepaja-Romny railway, which crossed the Lithuanian countryside and the forests of Poland until it reached the region of Poltava. Tremendous quantities of merchandise were transported by this line to and from the port of Liepaja in pre-war times. But all this traffic came to an end after the war, and it was obvious that henceforth Liepaja would have to depend more upon the mother country, Latvia, than on foreign countries for her prosperity.

As a result of the circumspect economic policy of the national government of Latvia, the continued development of Liepaja as a maritime center was assured. Cooperative dairying was promoted in the district of Liepaja, and this port figured prominently in the export of Latvian butter, bacon, pork, live pigs, seeds, grain and oilcake, timber materials, ply-wood, match splint, matches and other goods. Among the sea-borne imports through Liepaja were salt, herring, fertilizer, iron, coal, coke and other goods. The development of navigation in the port of Liepaja is portrayed by the statistics of incoming ships. There were 520 arrivals aggregating 280,732 net register tons at the port of Liepaja in 1936. Navigation continued brisk during the following year when 602 arrivals aggregating 298,357 n. r. t., were registered. And there was no recession of traffic in the port of Liepaja in 1938, in which year 712 vessels, presenting a total capacity of 376,821 net reg. tons, entered the port. Thus, the number of arrivals grew steadily, and Liepaja filled its proper, notable place in the economic life of the Latvian State. Regular steamship service was maintained between Liepaja and London by the United Baltic Corporation, and between Liepaja and Scottish ports by the Currie Line.

The principal natural advantage of the port of Liepaja lies in the fact that it is free of ice in winter and is, therefore, easily accessible all the year round. This ice-free port is composed of



Harbor of Liepaja

five parts, viz., the outer harbor, the commercial harbor, the winter harbor, the free-port and the naval harbor.

The outer harbor is separated from the open sea by two breakwaters, behind which steamers can enter and drop anchor at night. The breakwaters also afford shelter to vessels in distress.

The commercial harbor is the oldest and most important part of the port of Liepaja. It connects Lake Liepaja with the sea, and has stone quays on both sides. There are railway lines along the quay-side passing numerous warehouses and coal yards, and, of course, there are good bunkering facilities for steamers which enter the commercial harbor.

The winter harbor is used mainly for timber export. There is also accommodation for discharging tank-ships.

The freeport lies North-West of the commercial harbor. The big ocean liners which used to ply between Liepaja and New York before the first World War were berthed there. Large warehouses and bonded stores are situated in the freeport zone.

The naval harbor stretches from West to East. The Tosmare engineering works and shipbuilding yards are located in this zone. Many foreign vessels, including warships, have been repaired at Liepaja in recent years.

The technical equipment and natural advantages of the port of Liepaja add to its value as a maritime centre on the Latvian coast.

An important metal industry was located in Liepaja, where tank-locomotives, street cars, railway cars and refrigerator cars were built.



Harbor Installations at Ventspils

The port of Ventspils ranks third among Latvian seaports, in point of size. It is situated at the mouth of the Venta river on the coast of Kurzeme and is one of the oldest of Latvia's natural harbors.

The port of Ventspils was a very busy maritime centre in prewar times, especially in winter when navigation was sometimes obstructed in Riga. Large quantities of timber materials, grain, flax, frozen poultry and other goods were shipped from Ventspils before the first World War. The initiative and energy of Latvian business circles led to a speedy resumption of maritime traffic in all Latvian ports, including Ventspils, and this port filled a notable place in the seaborne import and export trade of Latvia. The number of vessels which entered the port of Ventspils rose from 490 in 1936 to 546 in 1937 and 565 vessels in 1938. The arrivals in 1938 presented a total capacity of 273,243 net register tons.

Ventspils is regarded by experienced mariners as one of the safest and most convenient ports in the Baltic Sea. Vessels find shelter behind the breakwaters in stormy weather. The smooth, deep estuary of the Venta forms a natural calm harbor which is not exposed to tidal changes, and as the current is slow, there is very little accumulation of sand in the river so that a constant depth is maintained. Last, but not least, Ventspils is an ice-free port in which navigation is open throughout the year.

Besides these natural advantages Ventspils is conveniently located in the neighborhood of large, dense forests. It was the second largest woodworking and timber export centre in Latvia, immediately after Riga. The bulk of the timber shipped from Ventspils went to the United Kingdom, France, Belgium, Germany and other continental countries. The Currie Line maintained regular steamship service between Ventspils and Scotland.

The port of Ventspils is divided into two parts, viz., the outer harbor and the commercial harbor. On the left bank of the Venta is the town quay, which is reserved for vessels in coasting service. Higher up the river, on the right bank, is the Customs quay, while part of the commercial harbor is reserved for import traffic. The timber export harbor is beyond the pontoon bridge and embraces both banks of the river. The woodworking industry of Ventspils is concentrated in this district.

The port of Ainazi is situated in the Gulf of Riga near the Estonian coast. Timber to this port is floated from the upper reaches of the Salaca and its tributaries—an internal waterway 211 kilometers in length. At Ainazi, as well as at other convenient places in the Gulf of Riga, timber is loaded into ships in the open sea. The number of vessels which called at Ainazi increased from 77 in 1936 to 80 in 1938 and the total capacity of these arrivals grew from 20,505 to 23,908 net register tons during this period.

Thus navigation was brisk in all the principal ports on the Latvian seaboard, and the number of vessels which arrived at the ports of Riga, Liepaja, Ventspils and Ainazi grew from 2,171 in 1936 to 2,551 in 1938. The total capacity of these arrivals increased during this period from 1,173,864 to 1,340,760 net register tons.

Importance of Latvian ports in foreign trade. The part played by the principal Latvian ports Riga, Liepaja, Ventspils and Ainazi in the foreign trade of Latvia is illustrated in the following table:

	Year	Imports (In tons)	Exports (In tons)
Riga.....	1936	908,725	684,329
	1937	1,021,877	1,342,963
	1938	1,007,070	844,895
Liepaja.....	1936	132,279	108,543
	1937	131,358	149,684
	1938	145,926	99,150
Ventspils.....	1936	8,013	198,068
	1937	11,776	309,310
	1938	6,280	165,735
Ainazi.....	1936	.....	17,414
	1937	.....	25,933
	1938	2,694	21,469

Thus the seaborne imports through the four ports mentioned above aggregated 1,049,017 tons in 1936, rose to 1,165,011 tons in 1937 and reached a total volume of 1,161,970 tons in 1938. The seaborne exports aggregated 1,008,354 tons in 1936, rose to 1,827,890 tons in the following year and presented a total

volume of 1,131,249 tons in 1938. Adding these imports and exports together we arrive at an aggregate turnover of seaborne freight in and out of Latvian ports, as follows:

2,057,371.....	tons in 1936
2,992,901.....	“ 1937
2,293,219.....	“ 1938

and as Latvia's foreign trade (imports and exports) through the ports and overland aggregated:

2,179,618.....	tons in 1936
3,214,872.....	1937
2,440,402.....	“ 1938

we find that no less than 94% of Latvia's foreign trade passed through the ports in recent years. It ought to be noted that Soviet Russia's transit, in 1938 only 78,856 tons, went mostly over railway from Soviet Russia to Lithuania only and a very small part passed through Latvian ports.

There is yet another notable feature, and this is the almost even balance of imports and exports in Latvian maritime traffic. In this respect Latvian ports differed essentially from the ports farther north. The almost equal distribution of import and export cargoes in Latvian ports was undoubtedly a great asset to the shipping business, as it was possible for practically all ships to enter and leave Latvian ports with a cargo. Thus, a more intensive exploitation of tonnage was insured. This, of course, added to the attractiveness of the ports on the Latvian seaboard.

MARITIME LAW

In Latvian maritime legislation, the year 1939 was marked by the promulgation of several important laws.

Law concerning the Captains of sea-going merchant ships (Valdības Vēstnesis" No. 102, 1939). This legislative measure determines the main duties and rights of Captains, as well as the limits of their responsibility. The Captain's duties are not only laid down in laws and regulations, but are also determined by the instructions and indications given by the owner. In cases where the vessel is time-chartered, the extent of the Captain's subordination to the charterer is laid down in the charter party. According to this law, the Captain is regarded as representing the shipowner and the owner of the cargo in matters arising out of necessities for the ship, the cargo or the voyage. Limitations of the general authority of the Captain are not binding for third persons in good faith. The Captain

requires special authority from the owner for assuming bill or mortgage obligations as well as for selling the ship, in all cases. In case during the voyage outside Latvian ports there should arise a pressing need of money for repairing the ship or supplementing her equipment, for the upkeep of the ship's personnel or for continuing the voyage, and if there is no time to wait for the owner's orders, the Captain is entitled to sell the superfluous belongings of the ship and some of the products, as well as a part of the cargo or the whole of it. He has to communicate, however, with the nearest Latvian Consul beforehand if this is possible. At any rate, the Captain has to choose the form of obtaining the necessary funds which inflicts the smallest possible loss on the shipowner or the owner of the cargo. The Captain's civil liability is restricted in the new law. He is responsible only to the owner and only for the losses resultant from his own wilful injury or gross negligence, as well as from his infringement of the owner's authority, instructions or indications.

Law concerning the documents of sea-going merchant ships (Va'dības Vēstnesis" No. 102, 1939). This law indicates and enumerates the documents which have to be on every single Latvian sea-going merchant ship. Such documents are: the certificate of registry, flag license, certificate of measurements, load-line certificate, certificate of classification, ships articles, ship's log-book, ship's machinery log-book, and license of wireless installation.

Law relating to salvage ("Valdības Vēstnesis" No. 102, 1939). This legislative measure determines the extent of the Captain's duty to render help to everyone in peril on the sea. Herein is defined the general principle of "no cure—no pay", i. e., that a just reward is due for every successful help rendered, but no such remuneration is due if the help rendered is devoid of success. There is also no right to a reward if the salvage is effected contrary to the definite and reasonable prohibition of the Captain of the vessel rescued. The law also regulates questions concerning the extent of remuneration to be paid. This is fixed by agreement between the two parties concerned. In cases where no such agreement is made or the agreement is annulled by the court, the latter shall determine the amount of remuneration. Thus the court may alter or cancel every salvage agreement, if it finds the terms of the agreement unjust. The law also determines the division of the reward among several salvors. Finally, there are regulations regarding the security of the reward. In this connection the Harbour Master may, at the salvors' request, and without being responsible for possible losses, detain the rescued vessel in port pending the issue of sufficient security or the receipt of reward for the help granted. Claims for the payment of reward expire in

two years from the day on which the granting of help ended. If during this period it was not possible to detain the ship in Latvian territorial waters, the claim may be put forward in ten years time. The provisions of the law are applicable also in cases where the granting of help or salvage takes place in internal waters.

The law concerning the liability of owners of sea-going merchant ships (Valdības Vēstnesis" No. 150, 1939) stipulates that in respect of all maritime claims the shipowner bears liability only with the ship and freight. Thus, a real limited liability has been adopted in principle. But the law enumerates certain concrete maritime claims in connection with which this liability, depending on the age of the vessel, may not exceed certain maximum sums. In respect of vessels up to 15 years of age, this sum is fixed at Ls 100, but for older ships Ls 50 per gross register ton. These concrete maritime claims are almost exactly the same as those mentioned in the first five sections of paragraph 1 of the Brussels Convention of 1924. In case of the death or mutilation of persons in the service of the ship, the law relating to insurance for workmen's accidents and occupational diseases shall be applied. But in the event of the death or mutilation of other persons, the owners are liable to pay compensation to an extent up to double of the above mentioned sums. In respect of all other claims not specially mentioned in the law, the owner's liability is not restricted, also in regard to the wages earned by and due to the ship's personnel. But owners are not liable for losses which are not connected with the exploitation of the vessel. Thus, the Latvian legislation adheres in general to the form of real liability or to the so-called system of abandon, providing, however, for unlimited monetary liability in certain cases.

Law relating to joint shipowning enterprises (Valdības Vēstnesis" No. 153, 1939). The object of this enactment is to provide a juridical formula for a certain form of shipping enterprise which has developed in Latvian territory from olden times and is known as "partnership shipowning." The law defines the joint shipowning enterprise as a company which is engaged professionally in merchant shipping with one sea-going merchant ship which belongs either to the joint owners or to the joint shipowning enterprise. The joint shipowning enterprise acquires the character of a juridical person on the entry of the respective vessel in the shipping register of the marine department. Besides this, the joint shipowning enterprise has to be entered in the commercial register of the Riga District Court, where a special section has been opened for joint shipowning enterprises. The mutual juridical relations of the ship's partners and the administration of the joint

enterprise are regulated in the corresponding partnership agreement. The law contains further detailed regulations concerning the administration of joint shipowning enterprises, the rights of the partners, their duties and mutual relations, the manager of the enterprise and the termination of the partnership.

Law concerning averages ("Valdības Vēstnesis" No. 150, 1939). On the whole, this law conforms with the fundamental principles laid down in the York-Antwerp Rules of 1924. These Rules have now been transformed into an internal law, having only been systematised in a more logical sequence.

The *List of Latvian Merchant Vessels* was published annually and contained the names of the vessels, the data about the ship and also the name of the legal proprietor of the respective ship. The List was published officially by the Maritime Department of the Ministry of Commerce and Industries. The last issued list dates of 1940.

The Latvian Consular Ordinance of 1936 regulates consular duties and rights with regard to Latvian mercantile marine and seamen (chapter 10, §§130-179).

Use of the Latvian Flag by commercial vessels belonging to either Latvian or foreign citizens and juridical persons was permitted under the following conditions: the ship must have been registered in Latvia, or with a Latvian Consular Representative abroad (if preliminary), the permanent domicile of the responsible managers of the ship must be in Latvia, and, in the case of a Latvian shipping company, not less than two-thirds of the board of directors, including the Chairman or President, must be Latvian citizens. Special regulations (Valdības Vestnesis No. 66, 1931) define the duties and rights of the responsible managers of ships belonging to foreign citizens and foreign juridical persons, that are sailing under the Latvian flag. §159 of the Consular Ordinance stipulates more in detail the condition and order for issuance of provisional certificates of nationality. §160 of the C. O. stipulates the cases of detention of the certificate of nationality of a ship not entitled to it. Transfer of Foreign ships under the Latvian flag see §163 of C.O.

Navigation Between Latvia and U.S. A. Article VII of the Latvian-United States Treaty of 1928 stipulates:

Between the territories of the High Contracting Parties there shall be freedom of commerce and navigation. The nationals of each of the High Contracting Parties equally with those of the most favored nation, shall have liberty freely to come with their vessels and cargoes to all places, ports and waters of every kind within the territorial limits of the other which are or may be open to foreign commerce and navigation.

Each of the High Contracting Parties binds itself unconditionally to impose no higher or other duties or conditions and no prohibition

on the importation of any article, the growth, produce, or manufacture, of the territories of the other than are or shall be imposed on the importation of any like article, the growth, produce, or manufacture of any other foreign country.

Each of the High Contracting Parties also binds itself unconditionally to impose no higher or other charges or other restrictions or prohibitions on goods exported to the territories of the other High Contracting Party than are imposed on goods exported to any other foreign country.

Nothing in this Treaty shall be construed to restrict the right of either High Contracting Party to impose, on such terms as it may see fit, prohibitions or restrictions relating to national defense, public security and public order; prohibitions or restrictions of a sanitary character designed to protect human, animal or plant life; regulations for the enforcement of police or revenue laws.

Any advantage of whatsoever kind which either High Contracting Party may extend to any article, the growth, produce, or manufacture of any other foreign country shall simultaneously and unconditionally, without request and without compensation, be extended to the like article, the growth, produce, or manufacture of the other High Contracting Party.

All articles which are or may be legally imported from foreign countries into ports of the United States or are or may be legally exported therefrom in vessels of the United States may likewise be imported into those ports or exported therefrom in Latvian vessels, without being liable to any other or higher duties or charges whatsoever than if such articles were imported or exported in vessels of the United States; and, reciprocally, all articles which are or may be legally imported from foreign countries into the ports of Latvia or are or may be legally exported therefrom in Latvian vessels may likewise be imported into these ports or exported therefrom in vessels of the United States without being liable to any other or higher duties or charges whatsoever than if such articles were imported or exported in Latvian vessels.

In the same manner there shall be perfect reciprocal equality in relation to the flags of the two countries with regard to bounties, drawbacks, and other privileges of this nature of whatever denomination which may be allowed in the territories of each of the High Contracting Parties, on goods imported or exported in national vessels so that such bounties, drawbacks and other privileges shall also and in like manner be allowed on goods imported or exported in vessels of the other country.

With respect to the amount and collection of duties on imports and exports of every kind, each of the two High Contracting Parties binds itself to give to the nationals, vessels and goods of the other the advantage of every favor, privilege or immunity which it shall have accorded to the nationals, vessels and goods of a third State, and regardless of whether such favored State shall have been accorded such treatment gratuitously or in return for reciprocal compensatory treatment. Every such favor, privilege or immunity which shall hereafter be granted the nationals, vessels or goods of a third State shall simultaneously and unconditionally, without request and without compensation, be extended to the other High Contracting Party, for the benefit of itself, its nationals and vessels.

Merchant vessels and other privately owned vessels under the flag of either of the High Contracting Parties, and carrying the papers required by its national laws in proof of nationality shall, both within the territorial waters of the other High Contracting Party and on the high seas, be deemed to be the vessels of the Party whose flag is flown.

TRANSPORTATION AND COMMUNICATION

Latvia possessed a fairly extensive system of railways as well as several airlines and steamer and motor-bus services. Latvian railways were State property; their length in 1938 was 3,349.7 Km. (1 Km.=0.62137 miles). 2,050 Km. were of the gauge 1,524 mm. (Russian gauge) and 306.4 Km. of the gauge 1,435 mm. (the so-called Western-European gauge). The rest were auxiliary lines of various narrower gauges. The difference in the main gauges was dictated by the wish to serve as a transit country for Soviet Russia and other neighbors.

The density of railways was 7.5 miles per 100 square miles, or 10 miles for each 10,000 inhabitants.

Growth of Railways in Latvia

	<i>Kilometers</i>	<i>Engines</i>	<i>Passenger Cars</i>	<i>Freight Cars</i>
1923.....	2,602.8	206	333	4,289
1935.....	3,119.9	320	780	6,212
1938.....	3,349.7	312	731	6,282

MOTOR TRAFFIC IN LATVIA

The annual statistics present a clear picture of the growth of motor traffic in Latvia. The table appended below depicts the upward tendency of motor traffic in Latvia, as at the beginning of each year.

Number of Mechanical Vehicles in Latvia

<i>Year</i>	<i>Passenger automobiles</i>	<i>Motor-trucks</i>	<i>Motor-buses</i>	<i>Motor-cycles</i>	<i>Roads in Kilom.</i>
1923.....	277	116	29	168	.....
1925.....	758	354	144	303	....
1930.....	2,140	1,486	344	1,719	....
1935.....	2,058	1,573	245	1,799	.....
1936.....	2,231	1,668	259	1,911	33,522.5
1937.....	2,512	1,963	267	2,193	34,095
1938.....	2,831	2,688	315	2,620	34,512.8
1939.....	3,399	2,946	342	3,357	.....

The growth in the number of mechanical means of communication was checked only during the economic crisis and depression, which lasted from 1931-1935. Thereafter a rapid increase set in in motor traffic. The number of passenger automobiles increased by 65% from 1935 to 1940, but the number of motor-lorries and motorcycles grew still more perceptibly, viz., by about 85% during the same period. The

smallest increase is registered in respect of motor-buses, the number of which went up by only 40% in the period 1935-1940, thus again reaching the pre-crisis peak. In this latter connection it may be observed that permits or licenses were required from Government or communal institutions for the maintenance of regular motor-bus passenger traffic.

Motor traffic and motorization in general was still in the primary stage of development in Latvia. This is obvious from the following comparative numbers of horses and automobiles in Latvia.

Number of Horses and Automobiles in Latvia

<i>Year</i>	<i>Horses</i>	<i>Automobiles</i>
1923.....	341,200	422
1925.....	351,900	1,256
1930.....	359,000	3,970
1934.....	375,200	3,376
1935.....	384,400	3,876
1936.....	388,800	4,158
1937.....	391,900	4,742
1938.....	400,100	5,829

In America and Western Europe and in all other parts of the world where motor traffic is well developed, an almost tragic decline in the number of horses is generally the concomitant feature, for the unromantic gasoline engine drives the so-called "oats" engine mercilessly from the field. But the situation was entirely different in Latvia, where statistics show that both the automobiles and horses were growing in number simultaneously. The result was that Latvia still had to maintain large fields of oats, while a comparatively small portion of the local yield of potatoes was designated for admixture in the form of alcohol to the gasoline imported from abroad.

A comparison between motor traffic and the number of inhabitants reveals the rather weak development of motor transport in Latvia. We find, for instance, that there were 6,687 automobiles to a population of two million on January 1, 1939. This amounts to one automobile per every 297 inhabitants. And although these relative figures may be larger and consequently more satisfactory in some large countries of Europe, the fact remains that motor traffic in Latvia was still less developed than in the Scandinavian States. The situation was, of course, ten times better in the highly motorized countries of West Europe, to say nothing of the United States, where there is one automobile to every four and a half persons. These comparative figures show that there was much room for improvement in the field of motorization in Latvia.

Nonetheless, there were some other features of motor transport in Latvia which were more encouraging. The statistics show, for instance, a very brisk growing of motor traffic in the country. The department for highways and country roads arranged periodically a traffic census on the country roads. Such a census was made at least once a year, and in some years it was organized on very extensive lines. The last general traffic census on Latvian country roads took place in 1937 and rendered the most complete particulars. This general traffic census was carried out in summer and in autumn, and lasted 48 hours without interruption each time. There were 732 census guards who made notes of all the automobiles, horse-carts, motor-cycles, bicycles, tractors and other vehicles which passed them during those hours. The census was made in all the main traffic regions and the results covered about 72% of the length of all the first category country roads. Consequently, this statistical data may be regarded as very illustrative of the actual situation.

The results of this traffic census gave a comparatively exact answer to the question as to the extent of traffic on Latvian country roads. We also gain an insight into the part played by mechanical means of communication. The answer is given in tons and shows the number of tons which traversed a sector of one kilometer in 24 hours. The average pressure per one kilometer of country road worked out on the average for the whole in Latvia at 245.5 tons in 24 hours. Motor traffic accounted for an average of 108.0 tons of this figure or about 44% of the aggregate road pressure index. Thus, in respect to road pressure the horse-carts were still dominant on the main Latvian country roads, though motorized vehicles were progressing toward a stage of parity.

As is to be expected, motor traffic developed more rapidly in the towns and, in this respect the metropolis Riga was far ahead of all the other towns. It was only in the last few years that motor traffic began to expand in the countryside. And also in the latter respect, the development of rural motor traffic prevailed in the regions with densely populated centers. This was particularly noticeable in the district of Riga where motor traffic accounted for 78% of the total road pressure.

The part played by motor vehicles in road pressure on the Riga-Jelgava highway, for instance, increased from 37% in 1925 to 77% ten years later, and reached 85% in 1937. A still more rapid course of development is registered on the principal Latvian mainroad, the Vidzemes highway. On a certain sector of this highway between Sigulda and Ligatne, which is over 50 km. distant from Riga, the pressure of motor traffic was a little under 20% in 1925, but rose to 90% in 1937.

Naturally, the situation was altogether different in the other parts of Latvia where horse transportation was still more or less dominant. In the four districts of the province of Latgale, for instance, motor traffic accounted for only about 17% of the total road pressure. But even in these rather backward districts there was a slow but steady tendency toward popularizing the use of motor vehicles.

This mixed transport system which permitted the maintenance of horse transport parallel to and yet far in excess of modern motorized transport on the county roads presented a rather difficult problem to the institutions which had to watch over the good condition of the roads and the safety of traffic. It cannot be denied, however, that difficult though this problem as, its solution was greatly enhanced by the particulars obtained from the periodical traffic census. In this way the competent institutions got to know which roads were most urgently in need of repair and to what extent the roads had to be improved. The degree of intensity of motor traffic in the towns and countryside, as revealed by the traffic census, was also useful for the guidance of the competent institutions which had to decide when and where the regulating of traffic was essential. These institutions had to reckon with the maintenance of both forms of transport, i. e., horse and motor traffic, except in some short sectors in the neighborhood of Riga where it was intended to build special automobile roads for motor traffic in the near future.

In view of the widespread and steadily increasing motor traffic, much was done to keep the highways in good repair. In 1938 Latvia had 1,800 Km. of first class highways, asphalted or covered with concrete cement. About 1,000 Km. were bitumen-covered highways, and 32,800 Km. gravel-covered country roads—a total of about 35,000 Km. of good roads.

WATERWAYS. AIR TRANSPORTATION. TELEGRAPH, TELEPHONE AND POSTAL SYSTEMS

There are 4,470 Km. of internal waterways in Latvia of which 446 Km. are navigable, and used mostly for floating rafts. One of the internal waterways harbors, Jelgava, was even accessible by smaller sea-going steamers.

Air transportation in Latvia was maintained between Riga, the capital, and Liepāja. Air lines connected Riga with Stockholm, Helsinki, Warsaw, Berlin, Kaunas, Tallinn, and Moscow.

A network of *telegraph* (3,688 Km. long) and *telephone* lines (41,532 Km.) stretched all over the country, and there were post and telegraph offices in all the more important localities. Direct cables connected Riga with Copenhagen and Stock-

holm. Four State-owned radio stations functioned in Riga, Madona, Kuldiga and Liepaja.

The *postal system* in Latvia was similar to all other European countries. Latvia was bound by the International Postal Convention. The Electro-Mechanical Factory "VEF", owned by the State, produced all needed materials and apparatus for the telephone, telegraph, and also radio equipment.



Zigfrids Anna Meierovics (1887-1925)

Prominent Latvian statesman, legislator and leader of the Farmer Union. First Latvian Foreign Minister. As Prime Minister (1921-24) he stabilized the state budget. His foreign policy was based on the conviction that the common interests of the Baltic States demand imperatively the forming of a close Baltic Union, and establishment of good-neighborly relations with the U. S. S. R. This policy became traditional.

Meierovics was killed in an automobile accident on August 22, 1925, in which, however, he succeeded in saving the lives of his wife and children before he died.

The thankful Latvian Nation named one of Riga's avenues after him, and erected a monument to his memory.

LATVIA AS A TRANSIT COUNTRY

Important international routes lead through Latvia from Western to Eastern Europe and, under normal conditions, Latvia is and should be a natural traffic-link between those parts of Europe. From the very beginning of her independence Latvia paid great attention to transit questions and endeavored to improve and to attract more transit trade to Latvia's ports.

From Latvian ports direct sea-routes lead to the West and to the East. The railroads of Latvia have two principal gauges, in order to be able to serve the Russian (wider) gauge as well as the Western European gauge, and to have direct connection with and between Germany and Russia. The principal Latvian ports: *Riga* (1) is connected by railroads with Central Russia; *Ventspils* (2) with the region of Volga and with Siberia, and *Liepaja* (3) with South Russia, i. e., with the fertile Ukraine, rich in minerals.

Also the northern regions of Poland were naturally interested in the transit ports of Latvia, but it was rather a question of the *future*, because there were not enough goods to ship from or to Poland through Latvian ports. The same reasons were evident in the case of the very small Russian transit through Latvia which in the best year made only 8% of all Latvian railway turnover, and an infinitesimal part of one percent of Latvian shipping tonnage.

The decrease of the transit through Latvia is shown by the following figures: *

<i>Years</i>	<i>Total Transit in mtr. tons</i>	<i>Of which Russian Transit</i>
1923.....	360,746	170,046
1929.....	882,025	477,588
1930.....	796,738	477,700
1931.....	919,911	637,938
1932.....	442,836	371,317
1933.....	290,053	257,788
1934.....	267,534	228,006
1936.....	239,025	188,447
1937.....	235,750	185,290
1938.....	113,931	78,356

In addition to the maintenance of all facilities to meet the requirements of the transit of goods from and to the natural "hinterlands" of Latvia at all times, an international quarantine was maintained in Liepaja, with quarters and facilities for emigrants coming from the eastern parts of Europe. It

* M. Skujenieks. *Latvija, Zeme un Iedzīvotāji*. Also M. Skujenieks' *Statistikas Atlāss*, 1938.



Typical Crossroad Sign

was not a profitable business, but the necessity of serving as a communications link between West and East induced Latvia to pay the greatest attention to transit questions.

SOVIET TRANSIT AS POLITICAL AND ECONOMIC PRESSURE ON BALTIC STATES

Since the first so-called good-neighbor contact was established by the Baltic States with Soviet Russia, there was a great deal of talk and even promises by Soviet representatives about the "immeasurable" economic possibilities for Baltic ports in developing Soviet transit. Simultaneously Soviet Russian trade representatives with large staffs appeared in Riga purportedly for handling Soviet exports and imports. A concession was issued for a Soviet Transit Bank, and wood-working enterprises, particularly saw-mills, were established in Riga for Soviet timber, which was floated over the Daugava.

The tonnage of props and other wood-working products exported through these saw-mills constituted the bulk of Soviet transit in the first years. But soon Soviet forests on the Daugava basin were depleted, rafts ceased to come by way of the Daugava and the transit tonnage shrank considerably. Soviet imports showed the same diminishing returns. After a certain number of railway engines (paid for with Rumanian gold) were imported from Sweden via Ventspils, also industrial import transit from abroad almost stopped. Instead of exporting grain, for which the largest grain elevator in the world was restored in Ventspils, it was imported from abroad during the American relief campaign and then stopped. No flax, eggs, butter, hides or linseeds were exported from Soviet Russia as promised. The cold storage plants stood empty.

However, the Soviet Russian trade representative continued to make promises. It was suggested that the situation could be remedied if the Latvian Government would become "friendlier", for instance, allow a pro-Soviet newspaper to be published, which was permitted ("Novy Putj"). From time to time a few cattle or pigs were bought by the U.S.S.R. to raise a mirage of the future before Latvian farmers.

Promises (in 1927) to buy certain Latvian industrial products were given, for instance, refrigerator cars and other items, if Latvia would only arrange for long term credits and re-establish certain export industries. Some of the export industries were re-established at great financial sacrifice, and credits were also arranged. But already in 1929 the Soviet trade commissioner had stopped buying Latvian goods altogether, because of the "unfriendliness" of the Latvian press, frontier police and judicial institutions, which arrested and sentenced "friends of the Soviet Red Army." Gradually Latvian industrialists, traders, financiers and also politicians sobered. Meanwhile, Soviet Russia continued to spread rumors in French, English and German economic and financial circles that actually Soviet Russian export business was hampered by the lack of Baltic ports. Pre-war figures on Tsarist Russia's immense exports were given to the press (millions of tons of flax, hides, grain, wool, butter, eggs, meat, minerals, etc.). It was emphasized that Soviet export industries could develop only if the U.S.S.R. obtained uncontrolled access to the Baltic Sea ports. Actually all possible transit facilities were granted by the Baltic States to Soviet Russia. Russian gauge railway lines were built, railway bridges were restored, railway stock and engines were renewed, and railway tariffs were lowered from 10% to 70% for Soviet Russian export goods. Soviet Russia transit was declared tax-free, custom tariffs for Soviet Russian import goods were also lowered; direct railway communication over

the Baltic with Germany was established, raft floating conventions were signed; storage room was leased for about one dollar a year in the Riga harbor; electric cranes were built in the Riga harbor, a free port was opened in Liepaja, etc. All these facts were hushed up in the Soviet press. Also the fact that Soviet Russia actually had not much to export over the Baltic ports remained unsaid. As Soviet Russian official statistics proved, Russia had not enough export goods even for its own port of Leningrad, which was exploited only to 30% of its capacity.

Soviet Russia even used tricks to support the mirage of transit. Thus, for instance, in order to manifest an interest in the Lithuanian Klajpeda (Memel) port, Soviet Russia imported for its saw-mills in Klajpeda timber from Leningrad via the Baltic Sea, even by railway (some 90 kilometers running over Latvian railways: the same freight was counted as Latvian and Lithuanian transit).

Knowing the real situation in Soviet Russia and the catastrophic situation there, the Baltic peoples became disgusted with the idle talk of Soviet Russia about "transit" and concentrated on developing their own local industries and agriculture, fishing and shipping. Quite naturally, Latvia bought more from countries (England, Germany, France, Belgium, Netherlands), which themselves bought more Latvian export goods, or from countries like the U. S. A., where Latvian importers could get high quality industrial goods (automobiles, electrical implements), or raw materials (cotton, tobacco, colored metals, oils, dried fruits, etc.).

The reluctance to establish artificial industries for Soviet Russian needs, and to use Soviet Russian raw materials (salt, soda, kerosene, etc.) exclusively was interpreted as "unfriendly" to Soviet Russia. Furthermore, Latvian demands to fulfill the economic stipulations of the peace treaty of 1920, to release deposits, machinery and other valuables, to realize the promised forest concession of 100,000 ha., etc., were also frowned upon. The creation of a Latvian Chamber of Commerce, the formation of a strong national unity government, the constitutional reform to eliminate parliamentary corruption, the prosecution and punishment of Latvian anti-independence (communistic) groups, closer collaboration with other Baltic States and with the League of Nations, closer economic relations with Great Britain, Germany or France, in a word, everything which would strengthen Latvia's independence, was eyed with suspicion, branded as "unfriendly" and even "fascistic" by Soviet Russia.

There is certainly a more valid economical reason for the systematic decrease of Soviet Russian transit over Baltic ports than the excuse brought forward that the Baltic governments

were "unfriendly," or that Soviet Russia did not own the Baltic ports. The incontestable fact is that Russia's foreign trade had already begun to shift from the Baltic Sea routes to the Black Sea routes in Tsarist times, when new railway lines in southern Russia were built, and particularly after the industrialization policy became accentuated by Finance Minister S. Witte, who also established the state industrialization board, later taken over by the Soviet government.

Also Russia's important grain trade was diverted to the Black Sea ports which were situated 3 or 4 times nearer to the grain-producing centers of Russia than the harbors of the Baltic. In 1913 seven times more grain was conveyed over the Black Sea than over the Baltic Sea. The process of diverting trade to the more profitable routes did not stop under Soviet rule. In 1935 about 47% of the weight of Soviet foreign trade turnover was carried by way of the Black Sea and only about 25% of this trade (flax, linseed, timber) went through the ports of Leningrad and Archangel, the rest being transported via caravan routes to Central Asia: Tuva, Mongolia, Chinese Turkestan, etc. Only some 200,000 tons, mostly timber, went as transit over the Baltic ports.

Soviet Russia ceased to export via Baltic ports agricultural products, which did not constitute export articles of the planned national economy of Soviet Russia. Thus these Russian export articles (flax, butter, eggs, hides, etc.), which in the first decade of the twentieth century constituted the bulk of the export tonnage of the Baltic ports, were left unreplaced by new freights, because Soviet Russia's exports mostly consisted of oils, ore, metals, coal, raw cotton, etc., which were produced in the vicinity of the Black Sea ports, and constituted about 60% of Soviet Russia's exports in 1937. In the north, Leningrad and Archangel became the foremost Russian timber and flax export harbors, these articles being produced in the near vicinity of these ports. However, Leningrad handled only 400,000 tons of shipping in its best year (1935), although it was able to handle 1.2 million tons. Eventually Leningrad was connected with the White Sea region and the Moscow region by waterways, but even that did not foster Leningrad's shipping.

As regards the imports—it must also be stated that Soviet Russia's policy was to import the smallest amount possible, and then mostly machinery for industrialized districts, which were also far away from the Baltic region. Unlike tsarist Russia, Soviet Russia stopped importing coal, coke, steel, cement, fertilizers and other minerals, via Baltic ports because it produced sufficient amounts for its needs at home. Thus the traditional shifting of foreign trade from the Baltic to the Black Sea was accelerated by Soviet Russia. Even the

so-called "friendship" between the Baltic States and Soviet Russia would not have changed the economic process. It is also an uncontestable fact that the industrial activities of Soviet Russia are not only shifting to the South and the Urals (where raw materials are available), but also to the Far and Near East. The building of new factories in Leningrad has been strictly prohibited since 1935, while the Urals and the lower Volga (iron, oil), as well as the Trans-Caspian territories (cotton), and Caucasus gained importance.

A Don-Volga and Caspian Sea-Black Sea Canal are projected. The Far and Near East markets are considered predestined for Soviet Russia's new Ural and Siberian industry, which produces cheap cotton piece goods, while the Ukrainian industries will supply the Balkans and Turkey.

The biggest competitors of Soviet Russia in the Far East and near East (Iran, Turkey, etc.) and also in the Balkan markets are the U. S. A., Great Britain, France, Sweden, Germany and Czechoslovakia. It is evident that the trend of Soviet Russia is to eliminate these competitors in the long run.

The possession of ports in the Pacific and free access to the Persian Gulf and the Mediterranean becomes both economically and strategically important.

The possession of the Baltic ports presents only a strategic approach to the European industrial countries, just as the Kurile Islands to Japan and Alaska. Consequently, all talk about the economic necessity of the Baltic ports for Soviet Russia's national economy is mere propaganda. The real fact is to be found in the far reaching plan to build a powerful Soviet Russian navy in order to gain more importance in European affairs.

Shipping in Baltic Ports

(in millions of tons)

Year	<i>St. Petersburg or Leningrad</i>	<i>Riga, Liepaja, Tallinn, Parnu,</i>			<i>Klaipeda (Lithuanian)</i>
		<i>Ventspils (Latvian)</i>	<i>Narva (Estonian)</i>		
1913.....	2.5	3.34	0.61	....
1935.....	0.4	1.2	1.1	0.8	
1938.....	?	1.4	1.1	0.9	

Soviet Russian Transit Over Ports and Railways of Baltic States (in tons)

<i>Year</i>	<i>Quantity</i>
1936.....	215,932
1937.....	161,232
1938.....	79,928

Soviet Russia has still a long way to go to develop its domestic possibilities and to use fully Leningrad, Archangel and the Black Sea ports, which were used only to a small extent of their capacity.

FOREIGN TRADE

In the first years of Latvia's independence the task of her economic policy was to create an independent economic life for the new independent country. When the tumult of war ceased, the devastated country had to be supplied from abroad with the primary necessities of life. All kinds of tools, machinery and raw materials had to be imported, in order to reestablish and raise Latvia's resources of production.

For many years after the end of the struggle for independence, it was possible only by means of imports to cover the shortages created through the devastations of war. For all these reasons the foreign trade of Latvia developed more rapidly than that of her neighbors. The progress of economic prosperity in the post-war years prevailed and reached its culminating point in 1929, when the total turnover of foreign trade attained its highest level. Then followed the years of the world depression, which left its impression also on Latvian foreign trade. Restrictions of imports and of dealings in foreign exchange had been introduced by many important European States, and Latvia had to follow suit. Thus, for instance, in the short period of 3 years, from 1929 to 1932, Latvian imports diminished to only 23.5% of the imports of 1929, but the exports for the same period amounted to 35% of those of 1929. Although the economic depression had to be overcome at the cost of great hardships and restrictions, it cannot be denied that in some respects it was beneficial and taught a lesson in thrift and care in the liberal methods of trade. Latvia's foreign trade, for reasons explained above, had been passive all the years, i. e., imports were greater in value than exports. But during the depression year of 1932 Latvia for the first time had an active balance of trade. The foreign trade in the years before the present war was much stronger and displayed new vigor and much greater qualities of resistance than before.

Latvia imported machinery, electrical implements, automobiles, cotton, tobacco, dried fruit, chemicals, textiles, oils, metals, etc.

It exported pulp, plywood, match splints, flax threads, calf hides, casings, paper for stamps and banknotes, glue, glass, chinaware, photo cameras (the famous "Minox"—smallest candid camera in the world) and paper, radios, bicycles, agricultural machinery, rayon, peat products, refrigerator cars, aeroplanes, yachts, etc. Latvian food stuffs, like butter, cheese, eggs, bacon, ham, sausages, candies, chocolate, canned and

smoked sprats, smoked salmon, eel, flounder, kilos, pressed lampreys, were considered delicacies and of high quality, thanks to governmental export control.

Latvian cordials were especially appreciated, as for instance, the Latvian vodka "Kristal-Dzidrais", and "Kümmel"—the "aristocrat of liquors." The Encyclopaedia Britannica, 1937, Vol. 13, page 516, in the following expressions describes the "Kümmel": "* * * a sweet liqueur, flavored with cumin and caraway seed. There are about 50 brands on the market. The originals were made in Riga. The caraway seeds for the making of Kümmel grow best in the neighborhood of Riga. Allash, a generic term used to describe all kinds of Kümmels, was originally an estate near Riga. A liqueur was produced there in 1823, under the name of "Allash Doppelt Kümmel." In due course Riga Kümmel gained fame and found acceptance at Queen Victoria's Court."

Growth of Latvia's Foreign Trade

(Lats in millions)

<i>Year</i>	<i>Exports</i>	<i>Imports</i>	<i>Balance</i>
1934.....	85.3	94.9	-9.7
1935.....	98.7	101.0	-2.3
1936.....	138.3	121.9	+16.4
1937.....	260.7	231.2	+29.5

General Exports of Latvia in 1937

(According to principal articles in millions, U. S. dollars)

<i>Cattle.....</i>	<i>1.890</i>
<i>Foodstuffs.....</i>	<i>11.000</i>
<i>of which:</i>	
Apples and Berries.....	0.070
Meat products.....	.900
Butter and Cheese.....	9.800
Eggs.....	.300
Fish and Canned Fish.....	.210
Sugar products.....	.120
Beverages.....	.655
<i>Raw materials and semi-manufactured goods.....</i>	<i>30.050</i>
<i>of which:</i>	
Skins, untreated.....	0.580
Furs.....	.300
Bristles.....	.117
Intestines.....	.027
Linseeds, Vici, Clover.....	1.540
Lumber.....	23.600
Cellulose.....	.325
Flax.....	2.540
Rags.....	.060

General Exports of Latvia in 1937—Continued

(According to principal articles in millions, U. S. dollars)

Raw materials and semi-manufactured goods—Continued

of which:

Plaster of Paris.....	.400
Pitch.....	.025
Bone flour.....	.018

<i>Manufactured goods.....</i>	<i>9.300</i>
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of which:

Leather goods.....	.430
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<i>Wooden articles.....</i>	<i>4.840</i>
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of which:

Plywood.....	4.430
Matches.....	.266
Paper and paper products.....	1.160

<i>Textiles.....</i>	<i>1.700</i>
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of which:

Flax yarn.....	1.360
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<i>Electrical Machines and Apparatus.....</i>	<i>.240</i>
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of which:

Radio sets.....	.220
Chemical products.....	.520
Rubber products.....	.225
Diff. dyes.....	.135

Total.....	52,240,000 dollars
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General Imports of Latvia in 1937

(According to principal articles, in millions, U. S. dollars)

<i>Cattle.....</i>	<i>0.200</i>
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<i>Foodstuffs.....</i>	<i>4.900</i>
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of which:

Rye.....	0.470
Wheat.....	1.650
Corn.....	.170
Rice.....	.060
Oranges.....	.192
Lemons.....	.120
Bananas.....	.039
Raisins.....	.103
Other Fruits.....	.055
Herrings.....	.930
Cocoa.....	.134
Coffee.....	.060
Nuts.....	.072
Tea.....	.040
Salt.....	.200
Beverages.....	.040

General Imports of Latvia in 1937—Continued

(According to principal articles, in millions, U. S. Dollars)

Foodstuffs—Continued

of which:

Linseed cake.....	.086
Soya beans.....	.300

Raw materials and semi-manufactured goods..... 18.000

of which:

Furs.....	.482
Hides.....	.575
Intestines.....	.080
Seeds.....	1.493
Tobacco.....	.788
Lumber.....	.276
Cotton.....	2.000
Wool.....	.550
Various Textile by-products.....	.730
Ore and crude metals.....	1.225
Coal.....	8.820
Coke.....	.940
Mineral oils, Petroleum, Gasoline and Grease, oils and Asphalt.....	5.480
Crude rubber.....	1.000
Fertilizers.....	2.400
Chemicals.....	.350

Manufactured goods..... 23.000

of which:

Hides, tanned.....	.046
Wooden articles.....	.169
Veneer.....	.119
Staves.....	.205
Cotton products.....	1.700
Jute.....	.278
Wool.....	.852
Woolen yarn.....	.860
Artificial silk yarn.....	.712
Silk.....	.981
Metals, treated.....	4.331
Different Machines, Electrical Machinery and Apparatus.....	.760
Metal products.....	2.000
Transport equipment.....	2.240
Automobiles.....	1.243
Chemical products.....	3.000
Ceramics.....	.460

Total.....46,100,000 dollars

The changes which have taken place in the structure of Latvian foreign trade during 1929–1938 are illustrated in the following table:

Comparative Table of Imports and Exports According to Groups of Merchandise

	Year	Import in thousand lats	Export in thousand lats	Balance in thousand lats
Total turnover.....	1929	362,147	273,868	—88,279
	1937	231,200	260,735	+29,535
	1938	227,336	227,204	—132
Livestock.....	1929	1,936	245	—1,691
	1937	927	9,390	+8,463
	1938	1,081	16,605	+15,524
Foodstuffs and beverages...	1929	117,838	64,611	—53,227
	1937	24,556	54,824	+30,268
	1938	17,933	64,417	—46,484
Raw materials and semi- manufactured goods.....	1929	89,420	118,708	+29,288
	1937	89,600	150,201	+60,601
	1938	83,485	104,861	+21,376
Manufactured goods.....	1929	152,158	90,290	—61,868
	1937	115,263	46,308	—68,955
	1938	123,520	41,304	—82,216
Precious metals and stones..	1929	795	14	—781
	1937	854	12	—842
	1938	1,317	17	—1,300

From this table it is obvious that the group of foodstuffs became active instead of passive, as it was in 1929 (and also during the previous years). During the years of the economic depression the greatest difficulties were encountered in the markets where Latvian products, such as butter, bacon and other agricultural products, had to be placed. This was the reason that Latvia, like many other countries, had to adapt itself to these circumstances and to produce many new goods which formerly were imported. The production of agriculture and that of industry had to be reorganized, in which task the Latvian Government succeeded in the years from 1934 to 1938. These changes in the capacity and structure of Latvian production influenced the export and import trade and consequently the necessity arose for the readjustment of the existing economic treaties, of which Latvia had about a hundred until 1939. when the war broke out.

Comparative Table of Latvia's Trade with Foreign Countries

(In thousand lats)

Countries	Percent of total turn- over		Percent of total turn- over		1938 turn- over
	1931 turn- over	1937 turn- over	1931 turn- over	1937 turn- over	
Germany.....	109,867	32.2	154,969	31.1	164,660
Great Britain.....	56,736	16.7	147,880	29.7	139,000
Belgium.....	18,085	5.3	33,738	6.9	9,268
U. S. A.....	7,593	2.2	19,000	4.1	17,610
Holland.....	7,714	2.3	15,746	3.2	12,631
Soviet Union.....	49,640	14.6	15,324	3.2	16,016
Sweden.....	6,057	1.8	11,489	2.4	11,434
France.....	13,976	4.1	8,501	1.7	8,752
Argentina.....	1,829	0.5	8,488	1.7	.....
Denmark.....	5,230	1.5	6,416	1.4	2,554
Norway.....	574	0.2	5,896	1.2	2,138
Poland.....	19,135	5.7	5,359	1.1	3,891
Switzerland.....	3,567	1.0	5,265	1.1	5,825
Lithuania.....	11,983	3.5	3,696	0.8	5,014
Italy.....	3,562	0.8	3,663	0.8	4,367
Estonia.....	4,861	1.4	3,563	0.7	3,269
Czechoslovakia.....	7,905	2.3	3,439	0.7	1,305
Finland.....	2,490	0.7	3,387	0.7	3,731
Austria.....	1,693	0.5	1,532	0.6	1,090
Other countries.....	9,645	3.0	34,579	6.9	40,889
Total turnover.....	340,840	100	491,935	100	454,540

Baltic Exports in 1937

FROM:	TO: Soviet Russia	Scandinavian countries		Great Britain	The United States and other countries
		Percent	Percent	Percent	Percent
Latvia.....	2.5	5.8	38.8	53.1	
Lithuania.....	5.3	9.0	46.6	39.7	
Estonia.....	4.1	14.0	32.6	49.3	
Finland.....	0.6	6.0	45.0	48.4	

Despite the fact that all possible efforts were made to foster trade relations with Soviet Russia,—the turnover remained relatively small, and eventually diminished to insignificant quantities for both countries. If we take the average of the years 1935 to 1937 we find that Soviet Russia participated with 5.3 million lats, or by 3.5% in Latvian foreign trade as concerns Latvian imports, and with 4.5 million lats or by 2.7% as concerns Latvian exports.

Latvia imported from Russia salt, tobacco, crude oil, paraffin, petroleum, phosphate, and iron; and exported pigs, pedigree cattle, canned, fish, hides, etc.

The trade with Finland, Estonia and Lithuania was relatively small on account of the similarity of production. From Poland,

Latvia imported mostly coal, from Estonia—shale oil, gasoline, bitumen, and from Lithuania—horses and linseed.

With regard to all other countries Latvia had, if not large, nevertheless stable commercial relations. Latvia's best customers were Germany and Great Britain.

All Latvian economic treaties were based on the unlimited and unconditionally most favored nation principle, with the traditional exception in the form of the Baltic and Russian clause. That clause provided that the most favored nation principle did not apply to rights, preferences and privileges which Latvia reserved or might reserve in favor of Estonia, Finland, Lithuania and the Soviet Union. The Baltic and Russian clause was provided to give due consideration to geographical and regional conditions of pre-war economic relations. It was the legal basis or the expression of the desire of the Baltic Nations for closer collaboration between themselves.

In 1938 it was France which objected to the maintenance of the so-called Russian clause. The Baltic clause also suffered a setback in 1938, when Estonia abolished the Latvian clause in her new economic treaty with Finland.

A remarkable fact: According to the statistics gathered by the League of Nations, the foreign trade of Finland, Estonia, Latvia, Lithuania and Poland in 1938 amounted to \$1,058,000,000, while the foreign trade of Soviet Russia, a country of 169 million inhabitants, was \$525,000,000.*

Baltic States' Part in World Trade

<i>Area (In millions) sq. km.</i>	<i>Population End of 1938 (000,000's)</i>	<i>Country</i>	<i>Imports 1938</i>	<i>Exports 1938</i>	<i>Foreign Trade</i>
<i>(In millions of dollars)</i>					
0.39.....	3.7—	Finland.....	183	181	364
0.05.....	1.1—	Estonia.....	29	28	57
0.07.....	2.0—	LATVIA.....	44	44	88
0.05.....	2.7—	Lithuania.....	38	39	77
0.39.....	35.0—	Poland.....	247	225	473
0.95—Total .	44.5—	All Baltic countries	541	517	1,059
21.18.....	170.0—	U.S.S.R.....	268	257	525

Soviet Russia's imports from the U.S.A. in 1938 amounted to 24 million dollars, but those of the Baltic countries, including Finland, and Poland amounted to 34 million dollars. The U. S. A. imports from U.S.S.R. were 70 million dollars, while the imports from the Baltic countries, including Finland and Poland, were only 41 million dollars. It is clear that the Baltic countries were better customers from the point of view of United States foreign trade.

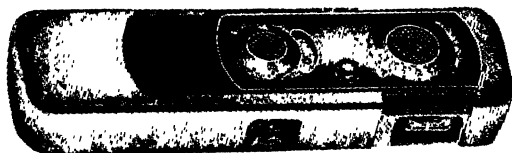
* *The Network of World Trade.* Economic Intelligence Service, League of Nations, Geneva, 1942, p. 101.

Percentage Share of World Trade

<i>Country</i>	<i>Population in 1938</i>	<i>Percent in 1929</i>	<i>Percent in 1938</i>
Finland.....	3.7 million...	0.49	0.78
Estonia.....	1.1 " ...	0.09	0.12
Latvia.....	2.0 " ...	0.18	0.19
Lithuania.....	2.7 " ...	0.09	0.16
Poland.....	35.0 " ...	0.38	0.40
<hr/>			
Total.....	44.5 " ...	1.23	1.65
Soviet Russia.....	170.0 " ...	1.85	1.10

It would appear from the above table that the share of the Baltic States in world trade increased between 1929 and 1938 by one-third, whereas that of Soviet Russia declined by nearly one-fifth. Moreover, the former group's share in world trade in 1938 was considerably higher than that of Soviet Russia. The Central Baltic States, Latvia, Lithuania and Estonia belong to the small group of European foodstuff-surplus countries and suppliers of Continental Europe and Great Britain. The latter imported 75% of its foodstuffs, Switzerland 53%, Germany 17%, France 17%.

* V. Raud. *The Smaller Nations in World's Economic Life*. London, 1945, pp. 21-22.



Minox—Smallest Candid Camera in the World, Invented by Latvian's

The Minox Camera. Metal Magazine.

Size: 19/32 x 1 1/16 x 3 1/8 inches.

Weight: 4 1/2 ounces.

Lens: f 8.5, 15 mm. focal length, focusing down to 8 inches.

Film used: 9.5 millimeter, 50 shots per load. The negatives measure 5/16 x 7/16 of an inch capable of producing 8 x 10 inch prints.

Shutter: 1/2 to 1/1000 second dial set.

Film winding: By pushing the ends of the camera together the film is wound, shutter set and the camera ready for use.

Yellow Filter is handy.

FINANCES

It is a foregoing conclusion that in modern world economy, a state counts only in so far as it is able to support itself economically and is able to be not only a consumer but also a producer of goods. Of course, various ideological conditions must also be taken into consideration, such as the will of the people for self-government and statehood, national consciousness, technical civilization, culture, education, etc. Still, the most important justification for the existence of an independent country is its bill of production or national income, which, in the case of Latvia, was quite satisfactory and, as is generally acknowledged, gave her an exceptional position as compared with her neighbors.

Even under tsarist occupation, Latvia flourished economically and was a considerable source of income for Russia.

The figures given below are contained in the official state budget of Russia for 1913 and they present very important documentation for the economic justification of the independence of Latvia.

Here is that portion of the Russian budget which refers only to Latvia (gold rubles are converted into gold francs)*:

Revenue of Latvia in 1913

	<i>Gold francs</i>
Direct Taxes.....	22,071,624
Indirect Taxes.....	115,587,005
Customs.....	24,721,370
State Monopolies.....	67,819,308
Sale of State Property.....	17,766
Repayment of Advances by State.....	3,835,055
Various Revenue.....	734,461
Arrears.....	5,383
<hr/>	
Total of Ordinary Revenue.....	234,791,972
Extraordinary Revenue.....	313,746
Grand Total.....	285,105,718

* *Yezhegodnik Ministerstva Finansov*, 1913, St. Petersburg (Statistical Year Book of the Russian Ministry of Finance), pp. 80-81.

Expenditure of Latvia in 1913

	<i>Gold francs</i>
Ministry of the Interior.....	9,748,485
Ministry of Justice.....	4,988,681
Ministry of Finance.....	22,668,364
The Holy Synod.....	1,368,981
Ministry of the Imperial Court.....	30,446
Ministry of Public Instruction.....	17,751,451
Ministry of Railways and Communications.....	54,917,676
Ministry of Commerce and Industry.....	5,352,079
Ministry of Agriculture.....	3,896,958
State Treasury.....	76,848
Ministry of War.....	19,988,589
Ministry of the Navy.....	9,862,959
Control of State Accounts.....	763,927
Administration of State Credit.....	285,217
<hr/>	
Total of Ordinary Expenditure.....	141,700,661
Extraordinary Expenditure (including the diplomatic service).....	3,104,665
<hr/>	
Grand total.....	144,805,326

From this table we see that the amount of net surplus which Russia exacted from Latvia in 1913 was 90.3 million gold francs.

This fact explains why the Russians were so eager to keep Latvia under their domination, and why the Latvians endeavored to obtain control over their own finances.

The process of organizing the national economy and increasing productivity was consistently carried out in independent Latvia. This was possible because the Government drew up a realistic program of production, fostered the efficiency of agriculture which provided livelihood for 72% of the population, and regulated the financial basis of agricultural initiative by converting the farmer's debts. Along with the advancement of agriculture, the task of reorganizing and rationalizing Latvian industries, as well as the cooperative movement, received due attention.

At the same time means were not spared for alleviating the situation of the people who produced the wealth.



Bank of Latvia in Riga

An important role in Latvia's economic policy was played by the reasonably introduced system of State monopolies, as, for instance; for flax, sugar and alcohol, which supported these branches of agriculture on a paying basis through stabilized prices. Also State railways and good highways helped the producer to bring the surplus to the market.

Latvia, trying to achieve the fullest possible development of the local productive forces, nevertheless refrained from artificially sustaining those branches of production which did not have economic justification. Only those branches which had a natural basis in the country were favored. In this way local export possibilities were increased and this in turn created means for more extensive purchases abroad.

The result was that not only the Latvian balance of trade became increasingly favorable in the last years, but the aggregate turnover of Latvian foreign trade also increased rapidly. This in part was due to the activity which Latvia had shown in her commercial treaty policy. But also import duties were considerably reduced and even cancelled on many items such as cotton, f. i. Internal trade had also expanded considerably, thanks to the growing influence of local capital in the different branches of Latvian economy. A sound credit and banking policy protected depositors and investments and was instrumental in increasing stability, production, and the national income. Budget surpluses were more often registered, and the structure of taxes was alleviated and simplified. The Treasury

spent large sums for promoting production, improving communications and ports, and fostering shipping and building activities, also electrification of industries and rural electrification. The work of economic reconstruction since 1934 had considerably increased Latvia's economic potentialities in such a manner as to widen and intensify Latvia's relations with other countries, and made Latvia an active member of the international commercial system. The foundation of Latvia's prosperity was in no way artificial, nor was it the result of an autarchy. The growing influence of local capital in the different branches of Latvian economy naturally made it more possible to avoid the excessive tutelage of foreign capital. In 1938 Latvia had no unemployment, no budget deficits and the national income had reached the two billion lats mark and possibly more.

A general welfare in Latvia was an incontestable fact, and Latvia indeed became economically self-supporting—thus splendidly justifying the Latvian economic system and methods based on private property, honest competition, equality of opportunity and the merit system.

FINANCIAL REFORM

After the first World War a chaotic state of affairs existed in financial matters on the territory belonging to Latvia. The former Russian financial system had collapsed. Public confidence was severely shaken by many fraudulent actions of the foreign occupational forces in Latvia. All the banks had been closed up, and the inhabitants of the Baltic States had lost their savings, which before the Russian Bolshevik revolution had amounted to several hundred million rubles. All kinds of "paper moneys" were in circulation in Latvia when Latvian independence was declared. The war which the newly founded state had to wage against ruthless enemies asked for means and real money with which to buy things necessary for the badly equipped armies. There were old Russian tsarist rubles, and there was the "Kerensky" money in long strips of paper but without any real value. Then there were "minor moneys" issued by the different revolutionary bodies in different parts of the Baltic, the "moneys" issued by the municipalities of the bigger towns and last but not least also German "East-Rubles" with which the Germans had flooded the country during the first German occupation in the Baltic from 1916 to 1919. No wonder that the inhabitants under such circumstances did not show a great deal of confidence in the new system of State finances, and in the new *Latvian rubles*, which were the first paper currency issued in 1919 by the Latvian

Government. Besides the Latvian ruble was connected too closely with the Russian ruble which was drowning in the Russian inflation. Therefore, in 1920 the Latvian Government declared the Latvian ruble "independent" and the sole legal tender in all payments in Latvia. The catastrophic fall of the Latvian ruble however continued. About a year lapsed until real stability in the economic structure of the country was achieved. After the conclusion of treaties of peace with Germany on July 15, 1920, and with Russia on August 11, 1920, and after the recognition *de jure* of Latvia by the Allied Great Powers on January 26, 1921, the confidence in the Latvian State rose even among the most pessimistic circles of inhabitants. During 1920 and the first half of 1921 greater quantities of Latvian agricultural produce, timber and flax were exported. Consequently "real money" began to accumulate in the young Latvian Treasury. The prices of flax and of timber were very favorable in the international markets, so that English pounds and American dollars flowed in abundantly. The rate of exchange of the Latvian ruble rose during the period of several months from 2800 rubles per £ to 1250 per £. In May 1921, all restrictions in the transactions of exchange were abolished and the Latvian Ministry of Finance achieved complete stability of the Latvian currency by normal financial manipulations and, mostly, by the law of supply and demand. The supply of foreign exchange was abundant and therefore it was not so difficult to hold the rate at the desired level.

On August 3, 1922, a law was promulgated abolishing the Russian sounding name "ruble." Instead a new unit with a new name, the lats (the root from Latvia) was introduced and the gold franc was adopted as the basis of Latvia's currency.

The new monetary unit was based strictly on gold and was equal to 0.2903226 grams of pure gold, or what is equal to that of a Swiss gold franc. The unit was divided into 100 *santimi*, again similar to the Swiss franc. The value of the Latvian monetary unit was thus equal to 1 Swiss franc, 1 £ was equal to Ls. 25.22 and a dollar to Ls. 5.18. The stability of the lats was maintained all the years through until September 28, 1936, when under consideration of foreign trade interests and in order to align itself with the countries which had devaluated their currencies earlier, Latvia also abandoned the gold standard and tied the lats to the English pound sterling.* It was the common practice in Latvia among exporters and importers, before the devaluation of the lats, to calculate in addition to the lats also in English pounds. The English pound was widely used in shipping business, and the foreign assets of Latvia were

* L. Elks, op. cit., pp. 62-62.

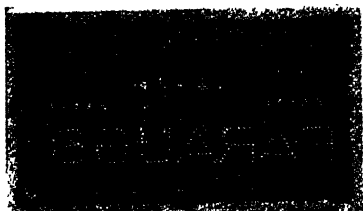
invested for the greater part in gold, English pounds and U. S. A. dollars.

To keep the reserves of gold and those of foreign exchange in sufficient quantities, eventually it became necessary to introduce restrictions in commerce and in the purchase and disposal of foreign exchange. Later on it became evident that these measures were not enough to meet the severe competition in foreign markets, and the alignment with the pound and with the dollar was a natural and welcome action (on September 28, 1936). To keep the prices from undue increase several preventive actions were undertaken to keep the cost of living on the same level as before the devaluation. It was chiefly attained by a reduction of customs tariffs, by a more liberal import policy, by a natural increase of exports and by greater activities in all fields of production, which in their turn gave greater income to the population. There was a complete understanding of the measures of the Government in financial circles, and the Government met full cooperation from all concerned.

CREDIT AND BANKING CONDITIONS

The *Latvijas Banka*, i. e., the *Bank of Latvia*, was founded on September 19, 1922, as an autonomous institution, and it took over the balances of the State from the Treasury. There were ample reserves already accumulated at that time by the Treasury. In October 1921 the reserves consisted of 58 million gold francs in foreign exchange and 30 million gold francs in gold. Only the *Latvijas Banka* had the right to issue banknotes. The first banknotes issued by the Bank of Latvia were covered to 75% with gold or stable foreign currency. The law establishing the lats as the Latvian monetary unit provided also that the *Latvijas Banka* pay in gold or in foreign exchange (dollars or pound sterling) on demand against lats presented at their counters. After the population had itself ascertained that they could really purchase dollars and pounds sterling against the lats, and after the lats began to be quoted in London, New York, Amsterdam, Berlin and Paris stock exchanges, confidence in the currency was strengthened and an orderly credit economy was achieved in Latvia.

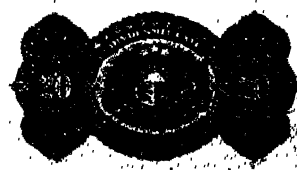
The role played by the *Latvijas Banka* was decisive in Latvian credit and financial transactions. First of all the duties of the *Latvijas Banka* were to fulfill all state treasury transactions and to regulate the circulation of the currency. *Latvijas Banka* also participated in the normal banking business of the country and was the largest current-account holder. Also the credits granted by the *Latvijas Banka* were of tremendous importance to the industrial and commercial enterprises of the country.



100 lats (88x154 cm)



50 lats (8x145 cm)



20 lats (73x126 cm)

Latvian Banknotes

Designed and Engraved by R. Zarinsh

Printed by the Latvian State Printing Office in Riga

During the years of depression the *Latvijas Banka* was invested with new and special duties to supervise transactions in foreign exchange and to handle the ever growing quantity of clearing agreements with several countries with which trade had to be reduced to barter and no more payments in currency could be expected. The greatest clearing turn-over was with Germany. The first clearing agreement was concluded, however, with France, followed by many others.

The other State Banks were the State Agrarian Bank (*Valsts Zemes Banka*) and the Latvian Mortgage Bank (*Latvijas Hipoteku Banka*). The State Agrarian Bank issued credits to farmers against mortgages for long-term investments and at very favorable conditions. The Bank issued credits from 10 to 20 million lats annually, in 1939, reaching a total of over 330 million lats (312.2 millions at the end of 1937).

The Latvian Mortgage Bank was especially interested in rebuilding the cities and towns in Latvia. The L. M. Bank issued loans for about 140 million lats during its existence between 1924 and 1939.

POSTAL SAVINGS

Besides the three afore mentioned Latvian State Banks, the so-called "Postal Savings Bank" was very active. It had accumulated in 1939, funds to the amount of about 87 million lats, plus about 24 million current account balances, with a turnover of some 57 million lats in a calendar month.

PRIVATE BANKS

In regard to the numerous private banks in Latvia it must be said that around 1931 there were in Latvia* 21 private joint stock company banks; 819 "mutual saving-credit associations" several municipality banks, and some small finance companies (Banking Comptors). It would appear obvious that Latvia had too many private credit institutions.

In 1931, the year when depressions began, the weaker credit institutions went down first. Once more the confidence of the public, of the working man and of the farmer, was seriously affected by those failures. The legislative body tried to do its best to remedy the situation by protecting wherever possible the interests of the depositors. However, only the National Unity Government, created in 1935, succeeded in stopping the economic disaster.

THE LATVIAN CREDITBANK

The most radical measure in order to remedy the economic and financial evils was the creation of the Latvian Credit Bank (*Latvijas Kredītbanka*) in 1935. Only later developments showed to a full extent the importance of this step. The *Latvijas Kredītbanka* was created by a special law in April 1935 with two principal aims: a) to perform normal banking operations; b) to serve the Government as a remedying or curative institution in all questions of economics and finance where the existing government institutions could not interfere, or had not the elasticity of a private institution, which was needed sometimes in the hard struggle with vicious and reckless speculative undertakings endangered in their existence. First of all the *Latvijas Kredītbanka* had to achieve the liquidation of some so-called private banking enterprises which were already in difficulties or in a state of deterioration. The Creditbank (as we shall call it henceforth) was empowered to take over all assets of defaulting credit institutions. The Statutes and charters of such institutions were declared nul and void. The Credit bank realized as far as possible the potential assets and satisfied the liabilities within the limits of the realizable assets—in first place the depositors. The Cabinet of Ministers, upon the proposal of the Minister of Finance, could declare any

* Alberts Zalts, *Nacionālā Saimniecība 20 gados*. Riga, 1938; pp. 116-134.

credit institution to be a defaulter which by its actions and assets could not prove the contrary, and after such a decision was published in the Government Gazette, the Creditbank took over the institution and acted with the greatest elasticity to satisfy the claimants and to realize the assets. In a couple of years the Creditbank succeeded in reducing the abnormally large number of private joint stock company banks to 7 instead of the formerly existing 21. Banks with backings in London, Berlin and Switzerland were doing good business, as were the banks with a real background and with sufficient capital and clients recruited from productive economic circles.

The Creditbank by the beginning of 1938 had already a paid up capital of 40 million lats, the largest shareholders being the Ministry of Finance, the Postal Savings Bank, and several independent Funds of the Ministry of Finance. The importance of the Creditbank as a purely credit institution was growing day by day. There was practically no branch of Latvian economic, industrial or other activities dealing with finance where the influence of the Creditbank was not felt.

The Creditbank was managed by a General Director who was directly responsible to the Minister of Finance and who in turn could veto or change the decisions adopted by the Creditbank. In the years 1936 to 1938 the Creditbank had become the most prominent financial and economic institution in Latvia. The Creditbank was also entrusted with the liquidation and reorganization of all kinds of defaulting undertakings. Eventually the credit system was put on a sound and reasonable basis. The confidence of the public in banking institutions was regained.

This is to be seen from the increase of deposits as shown by the following tables:

*Deposits and Current Account Balances in principal Latvian Banks of years 1930 to 1939 **

(In thousands of lats)

a. LATVIJAS BANKA

<i>Year</i>	<i>Private deposits</i>	<i>State deposits</i>	<i>Current Accounts</i>
1930.....	15,395	93,718	59,940
1931.....	20,586	86,896	58,187
1932.....	17,984	57,710	71,040
1933.....	20,150	66,250	61,883
1934.....	18,806	57,970	79,458
1935.....	19,753	46,494	89,770
1936.....	20,496	33,515	85,169
1937.....	19,922	60,664	113,710
1938.....	22,185	54,845	127,227
1939.....	28,454	61,023	133,576

b. POSTAL SAVINGS BANK

(In thousands of lats)

<i>Years</i>	<i>Current Accounts</i>	<i>Saving Deposits</i>
1930.....	6,716	7,341
1931.....	4,316	7,501
1932.....	5,251	12,557
1933.....	7,135	20,463
1934.....	10,685	32,708
1935.....	12,167	48,992
1936.....	10,157	60,798
1937.....	22,062	81,441
1938.....	20,433	83,426
1939.....	23,550	86,455

* Tables compiled from *Latvijas Statistiska Gada Gramata*, 1939.

c. PRIVATE JOINT STOCK BANKS, MUTUAL CREDIT ASSOCIATIONS AND COMMUNAL CREDIT INSTITUTIONS

(All kind of deposits in thousands of lats)

1930.....	91,631
1931.....	98,761
1932.....	49,433
1933.....	48,917
1934.....	50,964
1935.....	62,681
1936.....	68,734
1937.....	113,081
1938.....	171,024
1939.....	197,788

d. COOPERATIVE SAVING BANKS AND ASSOCIATIONS

(In thousands of lats)

<i>Years</i>	<i>Current accounts</i>	<i>Saving deposits</i>
1931.....	32,039	7,715
1932.....	24,605	6,963
1933.....	23,760	6,401
1934.....	24,464	6,419
1935.....	25,519	7,015
1936.....	28,223	7,282
1937.....	28,086	7,022
1938.....	30,744	8,622

In comparing the figures from 1933, total deposits of Ls. 250 millions had increased to approximately 446 millions in 1937 or to over 565 millions at the end of summer of 1939.

It should be understood that the sharp rise from the figures of 1936 to 1937 was partly due to the devaluation, or the alignment of the Latvian currency to the English pound sterling, but the deposits in general were only slightly affected by that measure. More evident was the change in the assets of the *Latvijas Banka* of gold and foreign exchange.

The changes in the last 6 years before the war in those very important items of the assets of the *Latvijas Banka* are shown in the table that follows:

Assets of Gold and of Foreign Moneys and Exchange in the Latvijas Banka

(In millions of lats)

<i>Year</i>	<i>Gold</i>	<i>Foreign Exchange</i>
1934.....	44.970	3.211
1935.....	46.314	3.584
1936.....	46.397	7.305
1937.....	77.402	27.541
1938.....	76.420	44.008
1939.....	87.713	37.939

The *Latvijas Banka* was the only dealer in gold and held its own assets as well as those of the Ministry of Finance. The gold was chiefly deposited in the vaults of the Bank of England, smaller portions being in the custody of the Bank of France, the Bank of International Settlements and other banks in Switzerland. The foreign exchange was held principally in dollars at several American banks and also in pounds sterling in British banks.

NOTE AND COIN CIRCULATION

In view of the comparatively large amount of gold and foreign exchange assets, the circulation of banknotes and of money in general in Latvia was somewhat small. In Latvia there were two kinds of notes in circulation, i. e., those issued by the Bank of Latvia, and those issued by the Ministry of Finance (Treasury notes) and, of course, the coins, issued by the Treasury. The notes issued by the Bank of Latvia had to be covered not less than by 30% gold and/or stable first class foreign exchange (dollars, £, Swiss francs) and the rest with short-term bills of exchange. The Treasury notes were issued

in a limited quantity only (not to surpass 45 million lats) and were covered also by gold and in addition by all other assets of the Latvian State.

During the last five years before the war the circulation was as follows:

<i>(In thousands of lats)</i>				
<i>Year</i>	<i>Notes of the Bank of Latvia</i>	<i>Treasury Notes</i>	<i>Coins</i>	<i>Total</i>
1934.....	38,820	43,133	29,783	111,736
1935.....	38,144	42,909	30,705	111,758
1936.....	42,238	43,018	30,077	115,333
1937.....	62,902	44,655	32,660	140,217
1938.....	80,567	43,691	34,119	158,377

It is evident that the permitted amount of issue was never attained either by the Bank of Latvia or by the Treasury. Just before the war a hoarding of silver coins was observed, but it was not in dangerous dimensions.

The well-established Latvian financial system was destroyed in 1940 by the Russian Bolshevik invasion. The lats were withdrawn from circulation and almost valueless Bolshevik "Soviet rubles" were introduced as of November 1940. The rate of exchange was fixed at one lats to a ruble, when previously one lats was worth about 12 to 15 rubles and even more. In 1941 the Germans took over from the Bolsheviks the destroyed Latvian finances and introduced their "Reichs-Kredit-Mark" which was valid only for the German-created "Ostland," i. e., for the three Baltic States and for White Ruthenia (a Soviet Western province bordering with Lithuania and Poland). The Germans fixed the rate of exchange of ten pfennig to a ruble or lats, while normally the lats was worth 50 pfennigs.

BALANCE OF PAYMENTS

In normal circumstances the balance of payments of Latvia was favorable, several millions always being on the credit side in Latvia's favor. The following table for the years 1934, 1935 and 1936 will show the principal resources of income. The year 1937 was much more favorable because in that year the effects of the alignment of the Latvian currency with the English pound sterling were fully felt.

Balance of Payments (In millions of lats)

	1934			1935			1936		
	Credit	Debit	Balance	Credit	Debit	Balance	Credit	Debit	Balance
I. <i>Merchandise:</i>									
1. Export and Import.....	85.27	94.86	-9.59	98.75	100.92	-2.17	133.35	121.75	+16.60
2. Merchant ships.....	0.36	0.19	-0.17	0.53	0.12	-0.41	0.96	1.19	-0.83
3. Other sums and corrections.....	8.10	0.46	-2.64	1.70	1.49	-0.21	2.76	0.90	-1.85
II. <i>Interest and dividends:</i>									
1. State external debts.....	88.73	95.51	-6.78	100.98	102.53	-1.55	139.61	125.62	+13.92
2. Municipal ext. debts.....	.....	0.57	-0.57	.....	0.57	-0.57	.....	.....	.....
3. Latv. Banks, State and Private enterprises.....	0.40	3.55	-3.15	0.20	3.44	-3.24	0.24	3.12	-2.88
III. <i>Transport and Communication:</i>									
1. Sea-going commercial fleet.....	0.40	4.28	-3.88	0.20	4.45	-4.25	0.24	3.71	-3.47
2. Foreign ships' exp.....	12.04	8.61	+3.43	11.94	9.31	+2.63	13.07	9.89	+3.18
3. Income from transit.....	3.06	.....	+3.06	2.85	.....	+2.85	2.98	.....	+2.98
4. Post, telegraph and telephone.....	2.90	.....	+2.90	2.94	.....	+2.94	2.95	.....	+2.95
5. Railways.....	0.42	0.45	-0.03	0.87	0.22	+0.65	0.43	0.48	-0.05
.....	0.21	0.80	-0.59	0.88	1.04	-0.66	0.98	1.05	-0.67
IV. <i>Tourist and personal traffic:</i>									
1. Tourists and travelers.....	18.63	9.86	+8.77	18.48	10.57	+7.91	19.21	11.42	+7.79
2. Students.....	6.85	3.80	+3.05	7.26	3.80	+3.46	7.00	4.10	+2.90
3. Foreign laborers.....	.....	1.30	-1.30	.....	1.00	-1.00	.....	1.00	-1.00
.....	.....	2.51	-2.51	.....	3.08	-3.08	.....	3.76	-3.76
V. <i>Other items:</i>									
1. Insurance, commissions, etc.....	6.85	7.61	-0.76	7.26	7.88	-0.62	7.00	8.85	-1.85
2. Dipl. and cons. represent.....	3.80	3.91	-0.11	3.18	3.72	-0.54	3.97	4.34	-0.37
3. Donations and allowances.....	4.00	1.40	+2.60	4.00	1.63	+2.37	4.00	1.61	+2.39
4. Film permits.....	1.50	.....	+1.50	.....	.....	+1.50	.....	.....	+1.50
5. Other current items.....	0.46	0.07	+0.39	0.14	0.15	-0.01	0.12	0.32	-0.20
.....	0.14	0.20	-0.06	0.15	0.34	-0.19	0.10	0.53	-0.43
VI. <i>Gold in bullion and specie:</i>									
.....	9.90	5.53	+4.32	8.77	5.84	+2.93	9.69	6.80	+2.89
.....	.....	0.04	-0.04	.....	0.06	-0.06	.....	0.11	-0.11
Grand total.....	124.51	122.88	+1.63	135.69	131.93	+4.36	176.75	156.53	+19.17

* Compiled from the *Latvian Economic Review* No. 1/9, 1938 and from other statistics

This table shows that the balance of payments was mostly influenced by the foreign trade balance, which in 1936 was favorable. In 1937 the balance of payments was far more favorable. The balance of foreign trade in that year alone gave Ls. 29.535 millions on the credit side of the balance (Exports: Ls. 260.735 millions; imports Ls. 231.200 millions). Shipping yielded approximately Ls. 12 millions as net balance in Latvia's favor. The total on the Credit side reached some Ls. 320 millions and some 280 millions on the debit side, thus leaving in Latvia's favor about 40 million lats in comparison with 19.17 million in the balance of payments of 1936.

NATIONAL INCOME

The amount of the Latvian National income had fluctuated considerably since 1927. In reviewing the figures we have to bear in mind that the rate of exchange of the lats and that of the Dollar underwent several changes. In 1927 one American Dollar was paid with Ls. 5.20, in 1932 to 1936 (September) the Dollar was only Ls. 3.10 to Ls. 3.20, to rise again in September 1936 to Ls. 5.20 for the Dollar and Ls. 5.50 to Ls. 5.80 at the end of 1939.

The Latvian National income in 1927 reached 926 million Ls.; in the years 1929 to 1930 it reached about 1,151 million Ls., and fell back to about Ls. 754 millions in 1932 (the World's depression period). The sharp drop was due to the catastrophic collapse of prices of all commodities and goods produced in Latvia, especially those of agriculture, dairy, farming, timber industry and so on. The quantity of manufactured goods and commodities did not decline but even increased. For this reason the real value of income to producers actually did not drop more than some 10 to 12% and the standard of living was not lowered very much during the time of the depression. After 1932 the economic life took sway and soon recovered the national income in 1938 reaching the two billion lats mark and possibly more. The per capita income per year, which dropped considerably from Ls. 600.00 per person on an average between 1923 and 1930 to Ls. 390.00 in 1932, rose to 200 dollars per capita in 1938.

The distribution according to various branches of occupation yielding income was as follows: agriculture 37.9%, industry and handicrafts 23.9%, trade and credit 15.9%, wages of officials and clerks 11.8%, real-estate owners in towns 3.3%.*

* Dr. A. Bilmanis' *Latvijas Werdegang*, Bernh. Lamey, Leipzig, 1934, p. 158.

NATIONAL WEALTH

Latvian national wealth was estimated in 1930 to be about 6.7 billion lats. Since 1936 the amount increased considerably between 40% to 50% as compared with that of 1930.

Distribution of National Wealth in 1930

(Parity at that time 1 lat = 32.26 cents)

	<i>Million lats</i>	<i>Percent</i>
Agriculture:		
Land and buildings.....	1,750	31.2
Live stock.....	350	6.2
Inventory.....	130	2.3
Products and materials.....	200	3.9
Total.....	2,450	43.6
Real estate in cities.....	700	12.5
Transportation, including railways, inventory and buildings, vessels, etc.....	680	12.1
Private industry and commerce, including inventory, buildings, raw materials, etc.....	770	12.7
Municipal property.....	130	2.3
State property.....	500	8.9
Household goods.....	380	6.8
Gold, silver, precious stones, art treasures.....	100	1.1
Grand total.....	5,710	100.00

This calculation does not include forests, of which the state owned approximately 1.4 million hectares and the municipalities 30,000 hectares. 242,000 hectares of forests were privately owned. The value of all Latvian forests was about one billion lats. Thus Latvian national wealth, in 1930 totalled some 6.7 billion lats, or about 2.2 billion dollars. Since 1930 the national wealth has considerably increased (buildings, livestock, inventory, machines, raw materials, savings, etc.)

PUBLIC FINANCES

The public finances of Latvia were kept in good order during all the 22 years of independence. Normal state budgets, compiled by the Ministry of Finance and confirmed by the legislature, were in existence in Latvia beginning with the fiscal year 1920/21. The first two years of independent Latvia were years of war, and for the newly founded state it was impossible to work on a regular budget. The structure of the budget was based on laws and regulations elaborated after the patterns of modern fiscal law in western European and in the Scandinavian countries, adjusting things, of course, to the conditions and dimensions in Latvia. The fiscal year in Latvia

until January 1st, 1940, was from April 1 to March 31 of the following year. From January 1, 1940, it should have been from January 1 to December 31, thus coinciding with the calendar year. But this new arrangement did not have the chance to show its practical value because the events of the war and the Bolshevik invasion destroyed the fiscal economy.

The structure of the budget was composed of two major parts, i. e., the *Basic budget* and the *Special budget*. The "basic" budget contained the incomes and the expenditure of the state institutions and the results of various state enterprises, monopolies, railways, funds, capitals and stocks. The "special" budget was a composition of various separate budgets of all those state enterprises, monopolies, funds and so on. Only the net results, whether a profit or a deficit, were taken in the basic budget as an income or as an expenditure if the deficit had to be covered by state means.

(In million lats)					
Fiscal year	Revenues		Expenditures		Balance
	Estimated	Actual	Estimated	Actual	
1935-36.....	151.0	150.9	151.0	146.8	4.1
1936-37.....	163.6	163.4	163.5	157.2	6.2
1937-38.....	180.1	188.7	180.1	173.8	14.9
1938-39.....	190.9	204.8	190.5	186.5	18.3

As can be seen, in the years 1935-37 the favorable balance was the result of economizing in expenditures, whereas in the last two years revenues were larger than were estimated in the budgetary forecast. The receipts were not altogether unforeseen, but the compilers of the budget deemed it better to keep the estimates within conservative limits in order not to rouse new claims and provoke new expenditures, which once begun, are very difficult to reduce.

Particulars of the Latvian budgets for the years before the present war are given in the tables below.*

(In million lats)					
Items of Revenue and Expenditure	1938-39	1937-38	1936-37	1935-36	1934-35
Revenues:					
Taxes (personal income, enterprises, capital, real estate, excises, customs, etc.).....	99.0	114.1	90.5	80.8	76.8
Fees and Dues.....	18.1	17.9	13.2	12.1	11.7
Monopolies, profits from State enterprises, etc.....	62.9	45.2	47.8	44.4	34.7
From Capital Investments...	6.7	5.8	7.1	8.7	10.4
Miscellaneous.....	4.2	5.7	4.8	4.9	5.5
Total.....	190.9	188.7	163.4	150.9	139.1

* A. Maldups, op. cit. pp. 398-402.

<i>Items of Revenue and Expenditures—Continued</i>		1938-39	1937-38	1936-37	1935-36	1934-35
Expenditures:						
Administrative expenditures.	60.3	55.1	48.1	43.9	40.4	
Education and social relief. . .	32.0	26.7	27.7	25.7	24.9	
Promotion of national economy	10.2	9.9	14.2	17.7	17.8	
Subsidies to state enterprises.	1.9	2.7	1.8	5.2	5.2	
Maintenance of roads and water-ways	6.9	5.5	3.8	3.2	2.9	
War Ministry and Defense. . .	41.9	36.4	33.3	31.3	30.3	
Capital investments.	37.3	37.3	27.9	19.6	18.0	
Total.	190.5	173.6	157.2	146.8	139.5	
Balance.	0.4	15.1	6.2	4.1	-0.4	
Actual.	18.3					

In 1938 from personal income taxes were realized 11 million lats or 5.29% of State Revenues. The Latvian system of income taxation was established along the most modern patterns of Western Europe, adapted, of course, to Latvian realities. From income tax was exempt the minimum necessary for support of a family of five (husband, wife and 3 children). The free minimum of a bachelor was much lower. Families with more than 3 children enjoyed a greater minimum than the average. Special taxation committees with representatives of taxpayers assessed taxes which could be paid in several instalments. The income tax law provided for a sliding scale. (See: *Commerce*.)

Budgetary Income
(Comparative Statistics)*

<i>States</i>	<i>Years</i>	<i>In million lats</i>	<i>Average per capita in lats</i>
Sweden.	1938-39	1,867.3	297
Norway.	"	714.1	246
Denmark.	"	690.1	184
Finland.	1938	495.1	135
LATVIA.	1938-39	190.9	97
Estonia.	1935-36	83.6	74
Lithuania.	1936	167.5	67
England.	1938-39	25,855.5	547
Ireland.	1937-38	902.9	307
Holland.	1938	2,493.1	288
Germany.	1934-35	16,000.2	244
Belgium.	1938	1,967.6	236
France.	"	9,257.2	221
Hungary.	1937-38	1,787.0	198
Italy.	"	6,998.5	162
Switzerland.	1938	606.7	145
Greece.	1937-38	739.6	107
Portugal.	1938	563.1	77
Bulgaria.	"	443.6	70
Poland.	1938-39	2,367.9	69
Rumania.	"	1,229.4	63

* M. Skujenieks. *Statistikas Atlase*, Riga, 1938.

The preceding table showing the revenues of the respective states gives an approximate idea of the financial strength of each country quoted therein. Latvian state revenues in absolute figures, as well as per inhabitant, were not high. There were no rich people in Latvia but there was definitely no poverty.

The budgetary needs of the country were met at all times without difficulties. Even in times of crises, as those of the World depression during the years of 1931 to 1933, the mounting difficulties were met easily because there were ample reserves from which to draw during the hard times.

In analyzing the expenditures of the Latvian Republic it must be said that, on the average, the separate items of expenditure, proportionally taken, were the same as in most European countries. Even the expenditure for the upkeep of the country's administration in Latvia proportionally was not higher than in most European countries. (In Latvia it varied from 25.6% to 32.6% in different years). Usually small countries like Latvia have a greater percentage in their unproductive administrative expenditure.

On the average, in the years 1926/27 to 1930/31 the Latvian State budget spent 25.6% (Ls. 45.17 millions) for administrative needs, 13.6% for subsidies of various kinds, 1.6% for fostering various economic branches of life, 1.0% for subsidies to state monopolies or state enterprises, 2.4% for upkeep of roads and lines of communication, 1.3% for land drainage and amelioration, 1.5% to the special fund at the disposal of the Government, 18.8% for the War ministry's expenditures, and 0.8% for relief work.

During the years from 1931/32 to 1935/36 the average percentage was: administrative expenditure 30.3% (Ls. 43.07 millions), subsidies of all kinds 18.1% (Ls. 25.7 millions), fostering various economic branches 9.5% (Ls. 13.42 millions), subsidies to monopolies and state enterprises 3.3% (Ls. 4.64 millions), upkeep of roads and other lines of communications 2.4% (Ls. 3.42 millions), land drainage and amelioration 1.2% (Ls. 1.79 millions), special fund at the disposal of the Government 1.3% (Ls. 1.83 millions), War ministry's expenditures 19.5% (Ls. 27.62 millions), and relief works 1.7% (Ls. 2.3 millions).

For culture and popular education Latvia spent an average of 14.7%, which is higher than the average in Europe (12.1%). Also for social welfare Latvia spent proportionally more than the average in other European countries (in Latvia 13.1% but the average in European countries was 9.3%).

Latvia during her independent existence from 1918 to 1940 never encountered any serious financial difficulties. She was, in fact, very prosperous up to the last phase of her independent

existence. Various loans to be repaid to the State constituted a very important asset of State Funds.

*Participation of Foreign Capital in Latvian Undertakings—Industry, Trade, Banks in 1932**

Germany.....	Ls.	25,558,000
England.....	"	16,075,000
France.....	"	1,660,000
From Czarist Russia.....	"	7,107,000
U. S. A.....	"	5,252,000
Belgium.....	"	7,265,000
Holland.....	"	8,423,000
Denmark.....	"	1,484,000
Sweden.....	"	11,834,000
Estonia.....	"	6,600,000
Czechoslovakia.....	"	4,611,000
Soviet Union.....	"	3,700,000
Lithuania.....	"	627,000
Poland.....	"	2,032,000
Switzerland.....	"	952,000
Finland.....	"	671,000
Turkey.....	"	417,000
Norway.....	"	213,000
Italy.....	"	92,000
Persia.....	"	136,000
Argentina.....	"	21,000
Greece.....	"	16,000
Total.....	Ls.	104,746,000

* L. Ekis, op. cit., p. 42.

Of this sum Ls. 16,263,000 were invested in banks, Ls. 9,200,000 in transport, and Ls. 6,227,000 in commerce. The biggest investments were made in industries. Particular favor was enjoyed by the chemical industry with Ls. 22,816,000 of invested foreign capital. The textile industry followed with Ls. 13,852,000. Next was the paper industry with Ls. 7,295,000, timber Ls. 6,753,000, metal Ls. 6,215,000, food-stuffs Ls. 4,718,000. However, the part of foreign capital in Latvian industries was small in comparison with the capital invested by the Latvians themselves.

During the World depression period much foreign capital withdrew; other capital withdrew later as a result of the reorganization of credit, joint stock companies, etc., in Latvia during the years 1935 to 1938. So, for instance, the Ls. 3.7 millions invested by the Soviet Union in a Bank (*Latvijas Transitz-Banka*) was for the purpose of financing Soviet transit through Latvia and for fostering trade between Latvia and the Soviet Union. Later the Soviet Government changed its intentions and the bank was liquidated. To avoid instability,

the Latvian authorities did not encourage foreign capital to come to Latvia for speculative investments, but provided all possible facilities to capital which came for long-term investments, as for instance Swedish capital, which financed to a considerable extent the construction of the Kegums Power plant. After the liquidation of several unsound undertakings in the years 1935 to 1938 the amount of foreign capital invested in Latvia shrank by some 30%, but the long term investment by Sweden of Sw. Kr. 13.5 millions made good the deficiency.

LATVIAN STATE DEBTS

Before World War II the indebtedness of Latvia to foreign countries and to foreign banking institutions was very small. The internal debt was almost non-existent before 1934, but increased somewhat between the years 1935 and 1939 owing to greater activities in the economic life of the country. The bonds of the domestic Road fund's loan were sold much easier when the prosperity of the nation increased. In 1938 the first internal loan was launched for a definite task, i. e., the construction of the KEGUMS Hydro-Electric Power Station. The loan was oversigned within a couple of days and was a complete success. Of the funds furnished by this loan only about Ls. 30 millions were used by the end of 1939.

In 1939, shortly before World War II, the foreign and domestic debts were as shown in the following table:

Foreign and Internal Debts of Latvia (1939)

A. *Foreign debts:*

Debt to the British Government for supplies £1,925,000		
i. e.....	Ls.	48,664,000
Debt to the U. S. A. Government for War supplies, food and other relief goods, \$7,069,924, i. e.....	"	38,460,000
Debt to France for War supplies Fr. Frs. 4,500,000...	"	649,000
Debt to Enskilda Bank of Stockholm for financing the "Kegums" construction, Kr. 8,350,000.....	"	10,939,000
Total external debt.....	Ls.	98,712,000

B. *Domestic debts:*

1918—5% Independence loan.....	Ls.	19,000
1920—4% Domestic loan.....	"	27,000
1931—Road Fund's loan.....	"	18,168,000
1938—Internal loan for the "Kegums" Power Station.	"	29,500,000
Total internal debt.....	Ls.	47,714,000

The debt to Great Britain was incurred during the Latvian War of Independence from 1918–1920, for war supplies received by the Latvian newly formed army which fought the lingering German formations in Kurzeme. The payments on the debt

were suspended until the general settlement of the First World War debt questions. Great Britain was the first to suspend its payments to the U. S. A.

The debt to France originates from the equipment of a Latvian Brigade of infantry in the Far East during 1918–1919. The Brigade commanded by French military authorities was used for protection of Allied stores and railway communications, also for urgent loading and unloading of railway trucks. The sum also includes transportation expenses of the Brigade back to Latvia.

The debt to the U. S. A. Government is actually not a financial debt at all, but a pure relief debt. A Latvian Cooperative Association encouraged by promises of eventual cancellation of the debt, acquired from the American War Surpluses Liquidation Co. in France, different goods left over in France by the American Expeditionary Forces after their return home. It was a lot consisting of canned goods, medicaments (plenty of arsenic), trench shovels and tools, repaired cloths, cigarettes, etc. The assessed prices were war time. Regardless of the promises of eventual cancellation of the incurred debt, the American Surplus War Supplies Liquidation Committee demanded from the Latvian Cooperative Association a guarantee of the bill by the Latvian Government. Eventually the assets of the American Committee came into the possession of the Treasury, but the Latvian Cooperative Association, being unable to sell the acquired war supplies, went bankrupt—and the Latvian Government, consequently, became liable for payment. The American debt also includes payments for the food delivered by the American Relief Administration, and for services rendered, to the starved Latvian people after they were liberated from both Germans and Bolsheviks in 1919.*

The debt to the Swedish Enskilda Bank is in fact a medium term for regular credit for goods and services delivered to Latvia from Sweden in connection with the construction of the “Kegums” Dam and Power Station on the Daugava cataracts.

Latvia's total state indebtedness, foreign and domestic, was about \$14.6 *per capita*. These debts could be redeemed at any time because the assets of the State were many times greater than the debts.

It should be mentioned that in 1934 Latvia had already met an agreement with the London Bank Lazard Freres, concerning the debt of the municipality of Riga (incurred before the First World War — the tsarist Government used the assets for war purposes). In June, 1939, Latvia redeemed all its 6% Bonds in the U. S. A.

* L. Ekis, op. cit. p. 80.

LATVIA'S ROLE IN THE BALTIC

LATVIA—GUARDIAN OF THE FREEDOM OF THE BALTIC SEA

It is very important to note that the Baltic Sea after World War I became not only a free sea and open to international traffic, but also an object of special care of the Baltic riparian countries.

With great material sacrifices Latvia and the other Baltic States rehabilitated their sea ports. Big investments were made in order to make these ports once more accessible to oceangoing ships. Also the sums invested in harbor installations of the Baltic ports were enormous. Very often more urgent needs were sacrificed in order to carry on the harbor work. However, the Baltic States did this with enthusiasm; it was their pride to have their ports in good order, so that nobody could insinuate that they were not in a position to serve as a bridge between Western and Eastern Europe.

It became, indeed, universally recognized that the Eastern Baltic ports were in good condition and had been well taken care of, and the fact that the Baltic States were the guardians of the freedom of the Baltic Sea, is stressed by important international conventions.

There is, for instance, the Aaland Convention regarding the neutralization and disarmament of these Finnish islands in the Baltic.* This multilateral convention was signed as early as October 20, 1921. The signatories were Denmark, Sweden, Finland, Estonia, Latvia, Poland, Germany, Great Britain, France and Italy.

This Convention was followed by the so-called Klaipeda or Memel Convention signed on May 13, 1924, in Paris and proclaiming this Lithuanian port to be of international concern.

The multilateral Convention to suppress the smuggling of alcohol in the Baltic was signed on August 19, 1925, by Denmark, Danzig, Estonia, Germany, Finland, Latvia, Lithuania, Norway, Poland, Sweden and Soviet Russia.

On December 31, 1925, Denmark, Estonia, Finland, Latvia, Lithuania, Poland, Danzig and Sweden signed the Baltic Geodetic Convention.

The freedom of trade and shipping in the Baltic Sea was confirmed by adhering to the Conventions of Barcelona (April 20, 1921), Bern (October 23, 1924), Geneva (January 31, 1928), and other international transit conventions. The freedom of

* *Recueil des principaux traités conclus par la Lettonie avec les pays étrangers*, T. I. Riga, 1930; T. II, Riga, 1938.



Foreign Office at Riga

air was confirmed by joining the Paris Aviation Convention of 1919.

The idea of the freedom of the Baltic Sea was instrumental in bringing together the Baltic States for a joint task: to facilitate transit between Western and Eastern Europe, improve and safeguard Baltic waterways, and foster shipping for the common welfare.

FOREIGN RELATIONS

Formally and legally Latvia's independence rests on the will for self-determination firmly expressed by the Latvian nation in the Declaration made by the Latvian Provisional National Council in November, 1917, reiterated on November 18, 1918, by the Latvian National Council, and unanimously accepted by the Latvian Constituent Assembly, which was elected by universal free suffrage and which convened on May 1st, 1920. Latvia had all the qualities demanded from independent states: it had its own territory, homogenous people, a unified government, and, besides, Latvia could exist economically.

Latvia's international position is based on the recognition *de facto* granted by the Government of Great Britain on November 11, 1918, to the Latvian Provisional National Council; on the *de jure* recognition extended to Latvia by Great Britain, France, Italy, Belgium, China and Japan on January 26, 1921, and the recognition by other European States and American Republics; Latvia's recognition by the Holy See;

reception into the League of Nations on September 22, 1921, and its recognition by the United States of America on July 28, 1922. Thus Latvia became a full fledged member of the family of nations. The legal proceedings of the recognition of the Baltic States are analyzed thoroughly by professor M. W. Graham in his valuable work on the recognition of Latvia, Lithuania and Estonia.*

The recognition of Latvia and the other Baltic States by the U. S. A. is scientifically analyzed by S. H. Hackworth.† There cannot be any doubt about the fact that Latvia and the other Baltic States were recognized without any conditions or restrictions. Also Germany and Soviet Russia recognized Latvia of their own free will as an independent state. It would be a fallacy to believe that Latvia was created by European statesmen at a conference table, for instance, in Versailles. Latvia was not a partner to the Versailles treaty and did not sign it. Latvian delegates were indeed present at the peace conference as observers, they even delivered a memorandum on their position, but only for the information of the said Conference. It declared the Baltic question to be connected with the question of the freedom of the Baltic Sea and thus an international one.‡

The Provisional Governments of Latvia and the two other Baltic States are mentioned only once in Article 433 of the Versailles Treaty and as already *existing governments*, but not to be yet established. This particular article forbids German troops to make requisitions, seizures and use any other coercive measures and to interfere in any way with such measures for national defence as may be adopted by the Provisional Governments of Estonia, Latvia and Lithuania.

It is a well known fact that it was chiefly the arms and courage of the Latvian nation that created the Latvian State.§

The relations of Latvia with her neighbors and other European states were regulated by various international treaties and conventions. Thus, Latvia, as previously mentioned, concluded frontier treaties with Estonia and Lithuania in 1920 and 1921, in result of arbitration. In the same spirit of mutual conciliation Latvia's frontiers with Soviet Russia were traced on the basis of the ethnographical majority of the population on both sides of the respective border line and mutual economic interests, as stipulated by the Latvian-Soviet treaty of August 11, 1920 (Art. 3.).

A continuous close political and economic collaboration of the Baltic was maintained by frequent and regular conferences

* M. W. Graham. *The Diplomatic Recognition of the Border States*. Part III: *Latvia*. University of California Press, 1941.

† S. H. Hackworth. *Recognition of New States*. Digest of International Law, Section 37.

‡ M. W. Graham, *op. cit.*, pp. 422-424.

§ L. Ekis. *Latvia's Struggles for Independence*, Washington, 1942.

of Baltic foreign ministers, as well as by meetings of experts of various departments.

The same close collaboration existed also with Finland, Poland and the U. S. S. R., and the best possible with Germany and the Scandinavian countries.

It had always been realized by the leading Latvian statesmen that close collaboration between all the nations living on the north-eastern shores of the Baltic Sea would be of the utmost benefit to all of them. For this reason Latvia was always a supporter of strong Baltic ties.

In January 1920, Finland, Estonia, Latvia, Lithuania and Poland held their first conference at Helsinki, and the second in August 1920, at Bulduri, a watering place on the Riga beach. At any rate, it was a most promising gathering, and the resolutions then adopted, had they all been carried out, would have paved the way to a United States of the Baltic, the best guarantee for the freedom of the Baltic Sea.

Indeed, the program of the Bulduri Conference* proposed by Latvia's first Foreign Minister, the late Z. A. Meierovics (1887-1925)†, made provisions for the closest political relations, as well as for the solution of numerous economic problems, the creation of a high economic council, the unification of the railroad system, the posts, telegraph, radio, and tariffs. Legislation concerning shipping and fiscal policy was to be coordinated, conventions regarding extradition, literary and artistic property were to be concluded, and unified social legislation was proposed, together with protection of labor, old age and the unemployed.

The proceedings of the Conference lasted five weeks, during which time numerous projects and conventions were drawn up, especially the project for a Permanent Baltic Court of Arbitration. A permanent organ by the name of Council of Plenipotentiaries of the Baltic States, with its seat in Riga at the Latvian Foreign Office, was organized for the purpose of executing the decisions made at the conference, an organization similar to the Pan-American Union. Unfortunately Finland and Poland refused to ratify the conventions adopted at Bulduri, and the "Counplenbalt" eventually ceased to function. Besides, the Lithuanians became bitter on account of the illegal occupation of Wilno by the divisions of the Polish general Zheligowski and refused to participate in any further Baltic conferences at which Poles were present.

The attitude of Finland towards the Central-Baltic States was always friendly. However, the Finns hesitated to enter into closer political relations with the Baltic States and even

* *Bulletin of the Latvian Ministry of Foreign Affairs*, Riga, 1920, Nos. 1-80.

† E. Virza and A. Bilmanis. *Zigfrids Meierovics*, Riga, 1934.

refused to ratify the so-called "Warsaw Agreement" of March 17, 1922, about the mutual recognition of the peace treaties signed with the U. S. S. R. and consultation in case of aggression. The Finns preferred to keep strict neutrality after the Scandinavian pattern. In result of this attitude Poland dropped the agreement, which, however, was already ratified by the Latvian and Estonian parliaments and registered at the League of Nations Treaty Registry.

Thus it happened that only Latvia and Estonia became allies on November 1st, 1923. Nevertheless, hope was still expressed for closer relations with the other Baltic States sometime later. We read in Article I of the above mentioned treaty:

"The High Contracting Parties pledge to pursue a purely pacific policy aiming to maintain and tighten the bonds of friendship as well develop the economic relations with all nations, especially in their intercourse with the nations of the Baltic and neighboring States." *

This was a constructive program of good neighbor policy with an invitation extended to all neighbors.

The next step in the rapprochement of the Baltic States was the Treaty of Conciliation and Arbitration concluded in Helsinki, on January 17, 1925, between Finland, Estonia, Latvia and Poland.† The treaty was based on the principles embodied in the Covenant of the League of Nations and the so-called "Protocol of October 2, 1924."

Similar conventions of arbitration or conciliation were also signed later with Denmark and Sweden. Economic relations were regulated between Latvia and the Scandinavian countries by treaties of commerce and navigation and other specific arrangements. Visas were abolished. Treaties of extradition and judicial assistance were signed also. Societies of rapprochement between Latvians, Swedes, Danes and Norwegians were founded. An exchange of artists and exhibitions took place. Latvian professors participated in Nordic congresses. Regular shipping lines were opened between Latvian and Scandinavian harbors. Swedish engineers and financiers participated in the building of the great Kegums Dam on the Daugava river. Venerable King Gustav V of Sweden visited Latvia and Estonia in 1929. Cultural and economic relations between Latvia and the Scandinavian countries, especially with Sweden, grew constantly.

* *Recueil des principaux traités conclus par la Lettonie avec les pays étrangers*, T. I. Riga, 1930, p. 80.

† *Recueil des principaux traités, etc.*, T. I. Riga, 1930, p. 98.

Also the political rapprochement among the Central Baltic States progressed. On September 12, 1934, the Treaty of better understanding and collaboration or the Baltic Entente* was signed between Lithuania, Latvia and Estonia. This treaty was exclusively pacific in its purposes and aims.

During its independence Latvia had signed more than 300 foreign agreements and joined various international conventions.†

LATVIA'S RELATIONS WITH SOVIET RUSSIA

Of particular interest, naturally, is how Latvia's relations with Soviet Russia were regulated.

Normal political relations were established with the U. S. S. R. by the Peace Treaty of August 11, 1920, concluded in Riga. The frontiers between the U. S. S. R. and Latvia were traced without any misunderstandings. An agreement about the repatriation of Latvian refugees and option questions was also signed. A number of technical agreements regulating all questions of neighborly intercourse by rail and waterways followed, especially the one's concerning railway traffic and transit by Latvian railways and harbors, also floating of rafts down the Daugava and border rivers. These agreements were accompanied by tariff lists particularly favorable for Soviet Russia. In 1922 a sanitary convention was signed. Soon after that conventions followed concerning tonnage measurement, settlement of disputes on the frontier, customs, etc.‡

In 1927 a treaty of commerce was concluded with a special part which provided also arbitration in commercial and civil matters. Special mutual advantages in economic intercourse were stipulated, which were facilitated by the so-called "Russian clause" in Latvia's commercial treaties with other countries. The counterpart of this clause was the so-called "Baltic clause" in Soviet Russia's trade agreements. Also Lithuania, Estonia and Finland had such a "Russian clause" in their treaties, with the same counterpart on the part of Soviet Russia.

On February 9, 1929, Latvia together with other states having a common frontier with Soviet Russia, signed in Moscow a Protocol with the U. S. S. R. concerning the immediate entering in force of the Kellogg-Briand pact regarding the renunciation of war as an instrument of national policy. The initiative was Soviet Russian. That is why this pact in the Baltic became known as the Litvinoff-Kellogg-Briand pact.

* *League of Nations Treaty Series*, Vol. 154, page 98 and following.

† All registered at the League of Nations Treaty Registry.

‡ All Latvian-Soviet Russian treaties, agreements, conventions, etc., are published in *Latvian-Russian Relations Documents*, issued by the Latvian Legation, Washington, D. C. 1944.



**Signing of Latvian-Soviet Russian Peace Treaty on
August 11, 1920 in Riga.**

Right Center: J. Vesmanis, Chairman of Latvian Delegation.

Left Center: Dr. A. Joffe, Chairman of Soviet-Russian Delegation

On February 5, 1932, the conclusion of a non-aggression pact between Latvia and Soviet Russia took place. This pact was extended in 1934 until 1945. A convention regarding settlement of conflicts by conciliation was signed on June 18, 1932.

With a purpose to elaborate the Anti War Pact, on July 3, 1933, Soviet Russia and its neighbors, including Latvia, signed in London a convention of definition of aggressors.

On December 4, 1933, a commercial treaty and economic agreement between Latvia and the U. S. S. R. were signed, which were in force with some modifications until 1940.

The above is an enumeration of facts illustrating the Latvian attitude, dictated by sincerity and good neighborly policy. But there must be taken into consideration the background of the Soviet attitude or rather the attitude of the communistic dialectic foreign policy. Soviet Russia never dropped its imperialistic policy of expansion to the shores of the Baltic Sea. Thus Soviet Russia tried many times to "protect" Latvia and the other Baltic States, i. e., to get control over the Baltic States. Everybody knows now what this type of "protection" means. In December, 1922, after the collapse of the so-called "Warsaw agreement" and the disarmament conference in Moscow (Soviet Russia refusing to accept arbitration of disputes by neutral judges), a Moscow emissary

Mr. V. Kopp, arrived in Riga to propose a formula which would have isolated Latvia completely from the League of Nations and her neighbors and put her at the mercy of Soviet Russia. It was a formula of unconditional neutrality. The same formula was proposed to Estonia, with the same negative result.

After the unsuccessful communistic putsch in Tallinn on December 1st, 1924, Soviet Russia again came out with proposals of "non-aggression and neutrality," but had really in mind the same old plan to isolate the Baltic States in order to get them under her control. The leftist Social-democratic parties in the Baltic States were most eager to accept the legalization of the communist party and communistic press—the counterpart would have been buying of industrial products by Soviet Russia, which presupposes creation of artificial export industries. The democratic and farmer parties opposed this suicidal economic policy and, they later proved to be right. Also diplomatically Soviet Russia was very active to obtain tutelage over the Baltic States as the springboard for further encroachment over the Baltic Sea and thus—access to Germany. With a view of destroying the Baltic solidarity, Soviet Russia tried again to estrange Poland from the Baltic States on January 5, 1934, when it proposed to Poland a scheme for joint overlordship over Finland and the Baltic States. Poland—as could be expected—rejected this offer.

In March 1934 Soviet Russia tried to arrange a tutelage over Finland and the Baltic States together with Germany. The parleys between the two governments took place in absolute secrecy. It was only after Berlin's negative answer to Soviet Russia of April 23, that the German diplomatic representatives notified the Baltic governments of the Reich's negative attitude toward the Soviet proposal.

Then came the episode of the "Eastern Locarno" or mutual assistance pact between Germany, Soviet Russia, Czechoslovakia, Poland, Finland and the Baltic States, which was initiated by France and Soviet Russia. The Baltic States agreed to this pact in principle, but Germany rejected it.

In September 1935, the U. S. S. R. became a member of the League of Nations. No new developments took place in the Baltic policy until 1939, when in March the U. S. S. R. had already repolished its tarnished friendship with Nazi Germany. However, at that time three strategic parallel railway lines were built in the direction of Latvia's border.

After Germany retook Memel (Klaipeda) from Lithuania on March 22, 1939, the U. S. S. R. on March 29, 1939, announced unilaterally that Latvia and Estonia were in the region of Soviet Russian interests and offered military assistance and protection against any aggressor, direct or indirect. This

offer, actually a camouflaged trap, was firmly rejected as incompatible with Latvia's and Estonia's sovereignty. On May 3, 1939, Foreign Commissar Litvinoff (of Jewish origin) well-disposed to the Baltic States, was dismissed and his place was taken by the nationalistic Great-Russian V. Molotoff.

It was inevitable that Latvia and Estonia in self-preservation on June 7, 1939, signed a non-aggression pact with Germany.

It is known how shrewdly Moscow almost obtained from England and France during the summer 1939 consent to occupy the Baltic States for strategical reasons, and to do so when it chose.* This plan was frustrated because Poland rejected the Anglo-French demand to let Soviet Russian troops pass through Poland. All Soviet proposals of "protection" or "aid" were conditioned by the *automatic principle of aid and assistance*. That meant Soviet Russia obtaining a free hand in the Baltic. In this connection we may quote the highly significant words that the Earl of Halifax, then member of the British War Cabinet, pronounced in the House of Lords on December 5, 1939, concerning the Soviet Russian hidden wishes and plans with respect to the Baltic region:

"We have tried to improve our relations with Russia, but in doing so we had always maintained the position that rights of third parties must remain intact and be unaffected by our negotiations. Events have shown that the judgment and the instinct of His Majesty's Government in refusing agreement with the Soviet Government on the terms of formulae covering cases of indirect aggression on the Baltic States were right. For it is now plain that these formulae might have been the cloak of ulterior designs. I have little doubt that the people of this country would prefer to face difficulties and embarrassment rather than feel that we had compromised the honor of this country and the Commonwealth on such issues." †

The German-Russian Pact of August 23, 1939, confused all international relations in the Baltic and disastrous events moved on quite rapidly.

The basic factor was that not only the Soviet Russians, but also the Germans sought domination over the Baltic Sea. Germany never dropped the "Drang nach Osten" idea and was rearming feverishly. This dictated to the U. S. S. R. the support of Poland and the Baltic States against Germany in order to preserve the equilibrium established on the Baltic shores.

A more realistic course of the U. S. S. R. would have been to form a common front against Hitler by creating a sincere defensive military alliance between Soviet Russia, Finland, the Baltic States, Poland, Rumania, and Czechoslovakia against German militarism. Nazi Germany, in view of such a

* G. Gafencu, *Derniers Jours de L'Europe*, Paris, 1944. pp. 319-235.

† Viscount Halifax, *Speeches on Foreign Policy* (Oxford, 1940), pp. 340-341.

powerful coalition, would have been considerably hampered by the existence of such a defensive alliance, and it is possible that the second World War might never have been started by Germany. But Germany succeeded in persuading Soviet Russia to divide the imaginary spoils and to absorb Poland and the Baltic States, which had manifested their categorical refusal to become German colonies or protectorates.

MUTUAL ASSISTANCE PACT

The war between Germany and Poland began on September 1st, 1939, and the Baltic States, having non-aggression treaties with Germany and Soviet Russia, immediately proclaimed their full neutrality based on the almost identical neutrality laws adopted, after the Swedish pattern of May 29, 1938, by Estonia and Latvia in December 1938 and Lithuania in January 1939. But Soviet Russia, with the consent of Nazi Germany, intended to establish its domination in the sphere of influence granted by Germany to the U. S. S. R. in Eastern Europe.

Already, in August, the general staff of the Red army had issued strategic maps for Baltic Soviet Socialist Republics. On September 17th, 1939, Soviet Russian troops, disregarding all treaties with Poland, marched into that country.

On September 28, 1939, an agreement was signed in Brest-Litovsk between German and Soviet Russian military authorities regarding the demarcation line of the respective armies on Polish territory.* This agreement was later reaffirmed in Moscow on January 10, 1941, and changed into a frontier treaty. Thus a new, fourth, partitioning of Poland was effectuated, in breach of all treaties and international law. At the time of the negotiations between the German and Soviet military plenipotentiaries in Brest-Litovsk, Soviet Russia compelled the Estonian Government to accept the so-called "Pact of Mutual Assistance", which was signed on September 28, 1939, in Moscow by the Estonian Foreign Minister K. Selters.† Under this agreement the Estonian Government was forced to lease to the Soviet Russian government all Estonian islands in the Baltic for Soviet military, naval and air force bases for a period of 10 years. In addition Soviet Russian troops (25,000 men) were placed in the Estonian port Paldiski (Baltishport) and on Estonian Islands, with the promise to withdraw the garrisons after the war.

With the conclusion of the German-Soviet military agreement in Brest-Litovsk and the "Mutual Assistance Pact" with

* Based on Herr von Ribbentrop's secret agreements signed in Moscow on August 23 and September 28, 1939.

† *Department of State Bulletin*, Vol. I, 1939, pp. 542-543.

Estonia, the balance in the Baltic region was effectively destroyed.

On the Latvian frontier at that time 16 divisions of the Soviet army (against three Latvian) were concentrated. On October 1, 1939, Latvian Foreign Minister Vilhelms Munters received an invitation to appear "for discussions" in Moscow. On October 5, 1939, the "Pact of Mutual Assistance" dictated* by the Soviet Russians was signed also by the Latvian Foreign Minister.† Latvia had to lease bases to Soviet Russia for 10 years and to consent to 30,000 Soviet Russian troops being stationed for the duration of the war in Liepaja, Ventspils and the Pitrags district, whereby the entrance to and exit from the Gulf of Riga would be under Soviet Russian control. On October 10, 1939, a similar pact was signed by Lithuania, with even more exacting stipulations (lease of bases for 15 years), which were sugared by "returning" Wilno to the Lithuanians.‡

To camouflage the real intentions, avowals were made to the Latvian Government that Soviet Russia would not interfere in Latvia's internal affairs and would not menace the established political, social and economic system. Soviet Russian statesmen, Foreign Commissar V. Molotoff and Soviet Russian envoys abroad tried by various means to dispel the suspicions of the Latvians and asserted that it was not at all the intention of Soviet Russia to sovietize Latvia and the other Baltic States.

It is interesting to reproduce now Mr. Molotoff's report to the 5th Extraordinary Session of the Supreme Soviet of the U.S.S.R. made on October 31, 1939, in Moscow in which he as the chairman of the Council of Peoples Commissars and People's Commissar for Foreign Affairs, in the following words tried to calm all possible suspicions, so that Finland also could be persuaded to follow the Baltic republics. He stated:

"These pacts are based on mutual respect for the political, social and economic structure of the contracting parties, and are designed to strengthen the basis for peaceful, neighborly cooperation between our peoples. We stand for scrupulous and punctilious observance of pacts on a basis of complete reciprocity, and we declare that all nonsense about sovietizing the Baltic countries is only to the interest of our common enemies and of all anti-Soviet provocateurs."§

At the time of this declaration Mr. V. Molotoff had in his files two secret agreements with Herr von Ribbentrop about the fate of the Baltic States: the Secret protocol of August 23, 1939 and the additional agreement of September 28, 1939. These agreements became known during the war criminals trial in Nuremberg in 1946 (published by *The New Leader* on June 8, 1946.)

* *Latvia in 1939-1942*. Washington, 1942 p. 95 (Report of Mr. V. Munters.)

† *Department of State Bulletin*, Vol. I, 1939, pp. 542-543.

‡ *Department of State Bulletin*, Vol. I, 1939, p. 705.

§ *Pravda* (Soviet Russian official paper of the Bolshevik party), November 1, 1939.

This reveals the hypocrisy of the Soviet Russian policy with respect to the Baltic States. At the time of signing of these secret agreements Soviet Russia was still a member of the League of Nations.

THE FLIGHT OF FINLAND

Finland, which was not included in the secret agreements between Nazi Germany and Bolshevik Russia, according to the 1940 Britannica Book of the Year, on October 5, 1939, was invited to send a delegation to Moscow to talk about "mutual problems." The Finns went and learned that Russia desired a 30 years lease of the Finnish port of Hangoe for a naval base, cession of a number of islands in the Gulf of Finland leading up to Leningrad, cession of segments of the Karelian Isthmus west of Leningrad and the area around Petsamo, Finland's Arctic Seaport that flanks the approach to Russia's port of Murmansk. In return the Russians offered to "permit" Finland to fortify the Aaland Islands and promised to give Finland some Russian woodland in Karelia north of Lake Ladoga, which bulges down toward Leningrad. "Finland," says the Encyclopaedia Britannica, "studied these demands carefully and made counter proposals which were marked by a very conciliatory spirit." In effect, these counter proposals gave Russia all she asked except Hangoe. "Surrender of that port would have been incompatible with Finland's neutrality," adds the Encyclopaedia Britannica.

"After that"—still quoting the Enc. Britannica—"the Soviet press and wireless now launched a violent campaign against Finland, and on November 28, 1939, Soviet Russia denounced the 1934 non-aggression pact. Finland persisted in her conciliatory attitude, until Soviet Russian troops, disguised as Finnish red troops and under the leadership of the Finnish communist quisling, Kuusinen, attacked Finland on November 30, 1939."

On December 14, 1939, Soviet Russia was suspended from the membership in the League of Nations, because of aggression against Finland. The Council of the League of Nations stated that by its act, the U.S.S.R. had placed itself outside the League of Nations. It followed that the U.S.S.R. was no longer a member of the League.*

After a heroic struggle Finland had to sign a peace treaty with Soviet Russia on March 12, 1940.

As late as March 29, 1940, Mr. Molotoff promised "further amelioration of relations between the U.S.S.R., and the Baltic Republics."†

* *League of Nations Monthly Summary*, Vol. 19, No. 12, December 1939. Special Supplement: *The Appeal of the Finnish Government*, pp. 60-68.

† *Pravda*, March 30, 1940.

BOLSHEVIK INVASION IN 1940

During the war with Finland the conduct of the Bolshevik troops on Latvian soil was correct (no wonder, for a common Baltic action in view of Soviet Russia's suspension from the League of Nations would have been dangerous for the Soviets). Even the underground workings of the illegal communist party were discontinued for the time being in order to show the world how tolerant and sincere Soviet Russia was towards the defenseless Baltic States, which had given her bases without military opposition. But the politeness and correctness ended after Germany in May, 1940, became seriously engaged on the Western front. In May 1940, attacks appeared in the Soviet controlled press against Lithuania. Nothing was done at that time against Latvia and Estonia, however—evidently in order to restrain the Baltic States from any collaboration, even when preparations to destroy the last vestiges of their independence were being made.

The situation of the Baltic States in the summer of 1940 was a most critical one. They were cut off from all communication with the rest of the world. To the north was Finland, weakened by the recent war. Poland, the great neighbor to the south, was occupied and divided between two merciless conquerors. To the west was belligerent Germany, which had closed the Danish Straits and was hostile to the Baltic States and had already come to the above mentioned agreement with Soviet Russia. Besides, Germany premeditatedly tolerated the Bolshevik "abuse" (as von Ribbentrop qualified the Bolshevik aggression against the Baltic States in his War Note of June 22, 1941). The German calculation was to let the Bolsheviks destroy the organism of the Baltic States, annihilate their armies, execute Baltic patriots and bring the Baltic peoples to such a despair that the Germans later would be considered as welcome "liberators" from the Bolshevik terror. In view of that, all Germans were already evacuated from Latvia and Estonia before May 1940.

The Soviet Russians fell for that, and on the day after the fall of Paris, on June 14, 1940, without any pretense of law and justice, presented an ultimatum to Lithuania.* They accused Lithuania and the Baltic States of military conspiracy against Soviet Russia. Meanwhile, Latvian frontier guards were

* *The Lithuanian Situation*, compiled by the Lithuanian Legation in Washington, D. C., June 14, 1941 (mimeographed)

killed in order to create incidents with Latvia. On June 16, 1940, an ultimatum* was issued also to Latvia and Estonia with the completely unfounded accusation that the Baltic general staffs were plotting against the U.S.S.R. and publishing a secret monthly in French and in English—the “*Revue Baltique*.” As a matter of fact the *Revue*, which anyone can consult in the Library of Congress in Washington and in the New York Public Library, was something like the *Bulletin* of the Pan-American Union. Furthermore Latvia and Estonia were accused of not having abrogated their defensive alliance (of 1923) and the Treaty of the Baltic Entente of 1934 after signing the “bases” treaty. All these baseless accusations were, of course, officially and formally denied by the governments of the Baltic States, and particularly by the Latvian Government on June 15, 1940. Besides, Soviet Russia never before had complained against these Baltic regional treaties—even not in the League of Nations. The Baltic States had no disputes with Soviet Russia. The Bolsheviks, disregarding the stipulations concerning the promised conciliation procedure in all differences which could arise, and also the provisions of the convention defining aggression, and other treaties and pacts, bluntly demanded free passage of their troops, and establishment of “friendly governments” which, under the protection of Soviet troops, would be able “better” to carry out the provisions of the existing treaties. Without waiting for an answer to the ultimatum, the Bolshevik Army occupied the Baltic countries.

Thus Soviet Russia committed herself to ruthless, unprovoked aggression.

Now Soviet Russian troops were in the Baltic States in overwhelming numbers, thirty times as many troops as the Baltic States themselves had. But the expected revolutionary uprising against the legal Baltic governments did not come. To the contrary, except for small groups of alien Soviet Russian sympathizers, the Latvian masses were indignant.

It became necessary for Soviet Russia to engineer a “voluntary” act of joining her. Everything was effectuated under compulsion of the Red army. In this way the Soviet Russian government and the Red army openly cooperated with the Communist Party and helped it become dictator in a foreign country. There is sufficient evidence of that, and Mr. Molotoff himself had admitted it in his speech before the Soviet Supreme Council of August, 1940.†

The process of incorporating the Baltic States was not a rapid one. Appearances had to be saved. The Bolsheviks entered Latvia on June 17, 1940, but the incorporation took

* *Latvia in 1939-1942*, Washington, 1942, p. 106, 107.

† K. R. Pusta. *Soviet Russia and the Baltic States*. New York, 1942. p. 45.



DR. KARLIS ULMANIS

Designed by J. Sternbergs

Greatest Latvian statesman. Born on September 4, 1877, in Berze, Zemgale. In 1905, as chief editor of the biggest agricultural journal "Lauksaimnieks," The Agriculturist, he promoted Latvia's movement for independence. After the collapse of the revolution he went into exile to the United States.

Having been granted an amnesty, he returned to Latvia in 1918 and became Latvia's first Prime Minister. During the period of Latvia's economic depression, 1927-1931, he initiated in Parliament legislation which not only saved the country from economic collapse, but made it prosperous. As Prime Minister, he in 1934 achieved Latvia's national unity, and strengthened Latvia's economic life, fostering the creation of national productive and marketing cooperative associations.

On April 11, 1936, K. Ulmanis as Prime Minister assumed also the vacant post of President of State after the retirement of A. Kviesis, who had served his second term.



GENERAL JANIS BALODIS

Commander in Chief of the Latvian Army and Navy during Latvia's struggle for independence. Decorated with the Order of St. Michael and St. George by the King of England, and with the Golden Sword for Bravery by the President of France. J. Balodis was born on February 20, 1.81, in Trickate, Vidzeme—northern province of Latvia—the old seat of the Latvian King Talivalds in the XIII century.

He hails from a centuries old Latvian land possessing family. J. Balodis graduated the Military Academy in 1902, fought as an officer in the Russo-Japanese war, was wounded and decorated for personal bravery. He also took part in action in Eastern Prussia in the beginning of the First World War, was wounded and became a German prisoner. He escaped from prison and returned to Latvia, where he soon emerged as a splendid strategist and a leading general. Since 1925 Member of Parliament, several times Minister of War. In 1934 J. Balodis was appointed Vice-Premier, and in 1936 Vice-President. In 1940, already before the annexation of Latvia, he was deported by the Bolsheviks to an unknown place in the U.S.S.R.

Information Regarding Movement of Certain Trains, in Which the Arrested Latvian Citizens Have Been Deported to Soviet Russia in June, 1941.

No. of freight letter:	Railroad Stations		Direction	Transferred to Russian Railroad	Number of cars	Sender's-Receiver's Designation	Notes (Sender's signature)
	Departure	Destination					
423990	16. 6. 41.	Jelgava	Latvia	17. 6. 41.	64	296. army NKVD	
424009	16. 6. 41.	Jelgava	Latvia	17. 6. 41.	73	296. army NKVD	
424010	17. 6. 41.	Jelgava	Latvia	18. 6. 41.	59	298. army NKVD	
174192	24. 6. 41.	Riga pass.	Babino	?	Prison Car 1	155th spec. batt.	
174089	21. 6. 41.	Riga pass.	Moscow pass.	?	Prison Car 1	155th spec. batt.	
173989	16. 6. 41.	Riga pass.	Moscow pass.	?	Prison Car 1	155th spec. batt.	
177900	24. 6. 41.	Riga freight	Leningrad	?	Prison Car 1	155th spec. batt.	
360911	24. 6. 41.	Riga freight	Pskov	?	12	NKVD	
177791	24. 6. 41.	Riga freight	Moscow	?	3	NKVD	
360912	27. 6. 41.	Riga freight	Pskov	?	4	NKVD	
268773	16. 6. 41.	Skirotava	Babino	16. 6. 41.	56	155th spec. batt.	
268674	16. 6. 41.	Skirotava	Novosibirsk	16. 6. 41.	81	155th spec. batt.	A. Lenski
268682	16. 6. 41.	Skirotava	Akmolinsk	17. 6. 41.	6	155th spec. batt.	A. Lenski
268683	16. 6. 41.	Skirotava	Babino	?	23	155th spec. batt.	
268685	16. 6. 41.	Skirotava	Kulka	?	11	155th spec. batt.	Lenski
268781	22. 6. 41.	Skirotava	Kotla	23. 6. 41.	Prison Car 1	155th spec. batt.	
268782	22. 6. 41.	Skirotava	Potmija	23. 6. 41.	Prison Car 1	155th spec. batt.	Karsagin
268783	22. 6. 41.	Skirotava	Kulka	23. 6. 41.	Prison Car 5	155th spec. batt.	Jeremejev
268784	22. 6. 41.	Skirotava	Vladivostok	23. 6. 41.	Prison Car 5	155th spec. batt.	Jeremejev
268785	22. 6. 41.	Skirotava	Novosibirsk	23. 6. 41.	Prison Car 4	155th spec. batt.	Jeremejev
268786	22. 6. 41.	Skirotava	Babino	23. 6. 41.	Prison Car 8	155th spec. batt.	Radzanovsk
268747	24. 6. 41.	Skirotava	Kuibishev	?	Prison Car 15	155th spec. batt.	
387962	15. 6. 41.	Tornalms	Latvia	16. 6. 41.	Prison Car 54	155th spec. batt.	Brivibas
127311	24. 6. 41.	Krasnopols	Kuibishev	?	Prison Car 57	155th spec. batt.	Street 98
8187	?	Daugavpils	Babino	18. 6. 41.	Prison Car 48	155th spec. batt.	Varegovo
8189	?	Daugavpils	Acinak	18. 6. 41.	Prison Car 55	155th spec. batt.	Train arrived from D. sea-land documents issued at Indra
8144	?	Daugavpils	Kanak-Jemel'sk	16. 6. 41.	Prison Car 75	155th spec. batt.	
8145	?	Daugavpils	Babino	16. 6. 41.	Prison Car 46	155th spec. batt.	
6075	?	Daugavpils	Gladan	18. 6. 41.	Prison Car 45	155th spec. batt.	
6074	?	Indra	Karaganda	18. 6. 41.	Prison Car 4	155th spec. batt.	
Total					824	cars	

Signed: f. f. Chief of the Income control.

place only after the election of a puppet parliament, which on July 21, 1940, "decided" to "beg" for the incorporation of Latvia into the Union of Soviet Socialist Republics.* In the beginning of August 1940, Soviet Russia annexed the Baltic Republics and imposed on them the proletarian dictatorship under guidance of the Communist Party. It is very important to state that, according to Paragraph 77 of the Latvian Constitution, a free plebiscite, initiated according to the provisions of the Constitution, should have been held (and, of course, not under menace of Soviet Russian armed forces!) in order to make valid any change of Latvia's international status. This was not done.

The representatives of Latvia and of the other Baltic States never agreed to Soviet annexation, and it is known that the Latvian and other Baltic nations, even under duress, protested as best as they could. The President of Lithuania, A. Smetonas, fled to neighboring Germany with his family and thence came to the United States, where he died. The Acting President and Prime Minister of Latvia, K. Ulmanis, and the President of Estonia, K. Päts, were deported to Soviet Russia and are being held prisoners there. Their fate is unknown.

Foreseeing what was to come, the Latvian Government on May 17, 1940,† before the Bolshevik invasion, made a secret decision by which it delegated, in case of an emergency the full power of Latvian State authority to K. Zarinh, the Latvian Minister in London. At the same time it designated Dr. A. Bilmanis, the Latvian Minister in Washington, to succeed to full Latvian state authority in case the Latvian Minister in London should lose his freedom of action. Thus the Latvian President and the Latvian Government unmistakably put all their hopes in the democracies.

The ruthless and outrageous act of unprovoked Bolshevik aggression against Latvia and the other Baltic countries was condemned by the Government of the United States on July 23, 1940.‡

BOLSHEVIK SCORCHED EARTH POLICY IN BALTIC STATES

When on June 15-17, 1940, the Bolsheviks invaded the Baltic countries, they announced to the local population as justification of their action that their occupation would guarantee peace, and that the Baltic countries would be protected from the menace of war!§ This was premeditated propaganda; otherwise they would not have started to "scorch" these countries at once.

* *Latvian Information Bulletin*, Washington, D. C., No. 47, May, 1941.

† *Latvian-Russian Relations Document*. Washington, D. C., 1944. pp. 201-202.

‡ *Department of State Bulletin*, Vol. III, No. 57, July 27, 1940.

§ K. Pakshitas. *The Lithuanian Situation*, Chicago, 1941, pp. 8-12.



**K. Zarinsh, Latvian Minister in London. Since 1940
Holder of State Emergency Powers Abroad.**

**A. Bilmanis, Latvian Minister in U. S., Deputy Holder
of State Emergency Powers Abroad.**

The Bolsheviks immediately began to develop their communistic activities in destroying almost everything that these nations had built up during the 22 years of their independence. They were especially eager to liquidate the so-called "anti-Soviet elements," i. e., the Baltic leading patriots, and, concurrent with the Soviet policy, to colonize with them the Far-East and to procure slave labor for the Far-East mines and industries. A respective plan was already secretly elaborated on October 11, 1939, to deport in certain periods the bulk of the Baltic population and to settle Russians in the Baltic region. This plan had to be realized in 5 periodical deportations. (In 1932 about 8 million Ukrainians—peasants—were deported in a similar way from the Ukraine to Siberia). Soviet Russia would later play up the argument that the Baltic countries are populated by Russians.

Anyone who opposed Bolshevism and Communism was doomed—every suspect deported. According to the data published in the Washington Times-Herald on September 15, 1941, by Lowell Limpus, taken, as he stated himself, from American semi-official sources*, the losses of the Baltic States in 1940–1941, during the Bolshevik domination, were as follows:

<i>Country</i>	<i>Population</i>	<i>Killed</i>	<i>Wounded</i>	<i>Missing</i>	<i>Total</i>
Latvia.....	1,990,700	12,000	14,000	45,000	71,000
Lithuania.....	2,500,000	9,000	12,000	31,000	52,000
Estonia.....	1,250,000	8,000	10,000	32,000	50,000

* *Times-Herald*, Washington, D. C., September 15, 1941.

The following is an incomplete list of Latvian deportees and "missing" persons, taken away from Latvia between June 13-17, 1941, classified according to the occupations of the deported.

Agriculturists, farmers and farm hands.....	5,381
Industrial workers, engineers, factory owners.....	5,820
Transport, automobile, railway, etc., workers and operators.....	2,942
Defense and police forces (among them 1,084 missing or murdered army officers).....	5,194
Government officials.....	2,556
Free professions (intellectuals).....	1,128
Pensioners, house owners, etc.....	251
Students, school children.....	4,778
Housewives.....	2,296
Occupation unknown.....	3,909
Total.....	34,250

Of these

Men.....	23,016
Women.....	7,218
Children.....	4,016

The Bolshevik contention that all these people voluntarily went to Soviet Russia is simply ridiculous, because there are thousands and thousands of proofs that these people were arrested, removed from their families and forcibly sent away in freight and prison cars. There are letters of relatives describing how the arrests were made, and there is not one family which in one way or another has not suffered from these cruel deportations.

Between June 13 and 17, 1941, a total of 824 railway coaches and freight cars with Latvian deportees were sent into Soviet Russia. According to the documents found in the building of the railway administration in Riga after the Bolsheviks were driven out, the larger part of the deportees was to be sent to Central Siberia; about 7000 to the region of Krasnoyarsk, about 2000 to the Novosibirsk region, several hundreds (especially women) to the Karaganda region, and some five to six thousand to Central European Russia in the neighborhood of Babinina, near Kaluga, whence the deportees were later removed to places unknown. Groups of deportees were sent to the extreme northern parts of Siberia, others to the regions of Achinsk near Tomsk and of the Chulima river, near Barnaul, Bysk, etc. Six thousand Latvians were sent to the so-called autonomous republic of Komi, inhabited in pre-Bolshevik times by the half savage tribes of Ziriyane and by the Samoyeds.

Stories are related by people who have been able to get out of this northern hell that are incomprehensible to the minds of western civilized people.

These six thousand Latvian political prisoners, taken to the most northern part of European Russia in the triangle bordered by the Arctic Ocean, the Ural Mountains and the Arctic marshes, were placed in the following prison camps: Pechorlag, Uchtizhemlag, Sezherdorlag, Sevpechlag, Vokutstroi, and other newly built camps along a new railway track built with prison labor. Of some five thousand Latvians there, according to information furnished by people who had escaped, the greatest number were occupied in the construction of that railway, but by the end of 1942 very few were left alive. The majority of those deportees perished during the winter of 1941-42. The oldest and weakest, it appears, had already perished during the march to the camps. Several thousand Latvian women have been scattered throughout all parts of vast Soviet Russia. Several thousands were executed by the Bolsheviks, and some of the bodies of the victims have been found in Latvia in mass or individual graves, but it is difficult to find the bodies, because all the places of execution are not known. The graves are hidden in morasses and forests and are usually levelled to the ground with grass growing over them.

The heaviest losses of life are to be found among Latvian army officers, police officers and the civic guard (*Aizsargi*). The small Latvian army which in peace times numbered some 20,000 troops, lost 1,084 of its officers-corps. No one can tell how many of these officers are dead and how many were taken to Soviet Russia. By the end of 1942 many graves and bodies of dead officers have been found in Latvian or neighboring soil. Near Vainode, on the Latvian-Lithuanian frontier, a mass grave was found in which 300 (according to some sources 400) Latvian and Lithuanian officers were buried. The hands and feet of many of the victims were bound up with barbed wire. From the testimony of some escaped Latvian officers it is evident how this and similar massacres were carried out.

After Germany had declared war on Soviet Russia, and in some cases a couple of weeks before that date, Latvian and Lithuanian officers were discharged as politically unreliable. But all the officers who showed their discharge certificates to the G. P. U. patrols were executed on the spot without further formalities. What happened to those found in the mass grave near Vainode, or why they were sentenced and executed, is not known in detail. The Swiss newspaper "*La Suisse*" describes this and other Bolshevik atrocities in an article published on August 14, 1941:

"As a matter of fact, already on June 14, i. e., one week before the Reich started the war against the Bolsheviks, the Russians begun to arrest all officers of the former Latvian army. Four hundred of these unfortunate men were led barefooted into a forest near Vainode, in the southern part of the country, and were shot.

"Some of the officers commanding the Latvian Third Regiment, which had been incorporated into the Red Army, were discharged on the day that war was declared. They were all issued a document which stated that in accordance with article 33 of the Red Army regulations, they had been freed from their military duties owing to lack of commissions. Actually this was done because the Russians were not sure of their political views. These men returned to their cities and farms. However, on the way they were arrested by the Red police, to whom they presented their documents of discharge as justification. The Reds immediately had them shot without exception."

The death sentences in Bolshevik-occupied Latvia normally were passed by a group of three GPU or NKVD officials. The men responsible for the majority of executions in Latvia are the "comrades" Shustin, Novik and Citron.* In exceptional cases a Latvian communist Latkovskis (Vice Minister of Interior and Chief of the Latvian political police in the Moscow appointed quisling government of Latvia presided over by prof. A. Kirchensteins) was chairman of the "people's tribunal." However, as proved by documents found in the offices of the GPU in Riga, the signature of comrade Shustin was sufficient to kill anyone in Latvia. Later, when the killings had to be done in a hurry because of the approach of the Germans, Shustin alone gave the orders and signed death sentences with red ink, with the boastful remark that the sentence had been passed without the presence of either defense or prosecution (. . . "bez uchastya zashcity i obvinenia"). The text of the sentences was drawn up in the Russian language, showing that responsibility for these murders rests with the central institutions of Moscow, the all-powerful NKVD.*

During the nine months of Bolshevik rule or one full year of occupation, 41 clergymen suffered death at the hands of the Bolsheviks, were reported missing or were deported to Soviet Russia. The following Roman Catholic priests were murdered: V. Litaunieks, dean of Indra, 41 years of age; a cross had been branded on his chest with hot iron and a wreath of barbed wire had been placed on his head; E. Bekers, dean of Okra, 46 years of age; Kapcis, dean of Zosna (also tortured before death); Strods, killed after torture; Paskevics, dean of Mezhdvidus, a priest of Lithuanian origin who had formerly been exchanged for a communist and thus extracted from the hands of the GPU, had been tortured terribly (skinned alive) and then killed; Taboré, a French citizen, 72 years old, who

* L. Ekis. *The Truth About Bolshevik and Nazi Atrocities in Latvia*. Washington, 1943.

lived in Kraslava in the Catholic college, also had been tortured before death.*

Innocent children suffered death. Among those executed or killed by the GPU were 102 women and 18 children under 16 years of age. There were 226 farmers, 162 industrial and trade workers and owners, 59 persons engaged in transportation, 77 state officials, 44 persons belonging to the free professions, 12 house owners and retired pensioners, 49 students, 3 housewives, and some 550 persons of unknown occupation. The toll of army officers and police officials has already been mentioned, 190 of the slain officers having been identified. We may add that about one-third of the small number of Latvian naval officers were killed or went down together with their ships.

One journalist of a Swiss newspaper writes that he had seen 160 dead children locked in freight cars in a station in Riga, where they had been "forgotten" by the Bolsheviks.

Only a few weeks after the Bolshevik army had occupied Latvia on June 17, 1940, and after the GPU had established itself in Riga and spun a network of spies around all Latvian organizations and institutions, the persecution of the leaders of the Latvian nation began. In the first days of July, General J. Balodis, hero of the Latvian War of Independence, former Minister of War and Vice-President of the Republic, was arrested together with his wife and deported to Soviet Russia before Latvia's annexation by the U.S.S.R. On July 21, 1940, the President of the Republic Dr. Karlis Ulmanis was arrested and deported to Soviet Russia—also before the annexation.

According to information obtained, the Russians had a definite plan to deport all the most important Baltic people and to scatter them throughout the vast, empty spaces of Soviet Russia, separating the men from their wives so that the extermination of the small Baltic nations would be attained in an amazingly short time. By this means the Baltic question would have been "settled" radically in a Bolshevik manner for all time to come. The methods are plainly evident from the instructions issued secretly already on October 11, 1939, by comrade Serov, Vice-Commissar of Public Security (GPU) regarding the Baltic deportations.† According to reliable information, this plan of radical extermination of the Baltic nations was first proposed by comrade Goldfain, a high official of the GPU. His scheme was approved and the deportations were begun on the night of June 13 to 14, 1941. There are indications that the Bolshevik authorities, after having arbitrarily transformed all Latvians into Soviet citizens, issued

* Ibidem.

† See: *America*, February 20, 1943, New York.

new personal identification documents, called passports, to them. These passports bore the stamp of the issuing office. It has been observed that the color of the rubber-stamp ink was not the same in all cases. Dark violet and red inks were used. All persons whose passports were stamped with violet ink were to be deported. Only those with red stamps were or would have been allowed to remain in their country. It is still a mystery how the classifications were made, but undoubtedly there were hidden secret agents at work long before the Bolshevik invasion. Owing to the fact that the Bolsheviks evidently were in a great hurry, they could not deport all Latvian patriots, social leaders and intellectuals. Many saved themselves by hiding in forests and in marshes during the weeks when the mass arrests were made in June 1941. During the first days of the Russo-German war the deportations and policies of comrades Goldfain and Serov were apparently somewhat confused, and there was a senseless seizure of men, women, and children from streetcars, buses, cinemas, play grounds, parks, etc.

The Bolsheviks, fleeing from the Germans, forgot copies of freight documents from which later on was estimated the number of persons deported.

DISRUPTION OF ECONOMIC LIFE

In the same "efficient" way the Bolsheviks disrupted the economic life of Latvia and the other Baltic States. The activity of Baltic banks was completely disorganized and all the funds in possession of these banks were converted into worthless paper. The Baltic States were flooded with worthless Bolshevik paper rubles. Ceiling prices were established in rubles, proclaimed to be equal to the Lat, and soon all stores were emptied by Russian officials, officers and their wives, and soldiers. Industrial enterprises were destroyed and much valuable machinery and raw materials were taken to Soviet Russia. Most of the railway rolling stock was also moved to Russia. Baltic ships were nationalized. All warehouses, pharmacies, etc., were emptied. In brief, the Baltic States were thoroughly stripped. As early as August 1940 large quantities of cattle fodder and grain were shipped to Russia and the remainder was seized for the use of the Red army garrisons. Collective and Soviet farming was also introduced under heavy pressure and threats of bloody terror. It was the firing squad or Siberia for anyone who dared to show opposition. The Baltic peoples, the majority of whom are farmers, and even Baltic industrial workers were positively not on the side of the Bolsheviks and never agreed to the Communistic regime. The Bolsheviks were aware of this, and appointed trained Russian Bolshevik Commissars from Moscow to all the higher

positions. The Russian language was made compulsory in schools, everyone was compelled to listen to Russian radio music, and lectures about sovietism. The Bolsheviks evidently intended to russify the Baltic States completely and then to annex them to the Leningrad district. Never had the Baltic States experienced a reign of terror such as this.

BALTIC PEOPLES REVOLT AGAINST BOLSHEVIKS

Toward the close of June 1941, having heard of the advance of the German army and seeing the Russians evacuating the country, the Lithuanians, the Estonians and the Latvians, in the cities (even the industrial workers) and in the rural districts, embittered by Bolshevik oppression and persecution, revolted.

Even before the German troops entered Kaunas on June 23, 1941, the patriotic Lithuanians succeeded in proclaiming Lithuania free again and formed a National Government.

The patriotic youth of Riga and those officers and national guardsmen who had been able to hide during Bolshevik occupation, started an insurrection in Riga and occupied the most important buildings and the radio station.* Simultaneously, the national guardsmen begun a revolt in the rural districts. On June 28, 1941, the Stockholm radio reported that the Riga radio station had broadcast an announcement to the effect that the Bolshevik regime had been overthrown, that Latvia had once more been declared independent and free, and that a temporary government was being organized there. This happened before the entrance of German troops into Latvia. It was probably true, for on June 29, 1941, the Bolsheviks, fleeing from Lithuania along the river Daugava in great numbers, entered Riga, overpowered and shot those participating in the revolt, and then read the names of hundreds of the murdered Latvian patriots over the same Riga broadcasting station. After this the station was no longer in operation.

* Under the leadership of Colonel Jeske.

NAZI INVASION IN 1941

The German troops entered Riga on July 1, 1941, took control of the radio, and immediately began to broadcast their own Nazi program. The Germans occupied Latvia in several days, and took full control, disregarding all existing treaties between Latvia and Germany. They acted in a similar fashion earlier in Lithuania and later in Estonia. One thing is certain: wherever the Nazi Germans established themselves they did not support the formation of a national government but, on the contrary, proceeded to suppress the newly proclaimed independent governments. They introduced complete domination of a German administration backed by German military force, just as the Bolsheviks had. The Bolsheviks invaded Latvia posing as protectors from imminent German invasion; the Nazis, posing as liberators from Bolshevik domination, ruthlessly invaded the Baltic countries and took them under their control.

Within ten days after the Germans had begun their attack on Soviet Russia, Bolshevik troops were forced hurriedly to withdraw from the widely advertised Soviet "strategic positions" in Lithuania and Latvia, and were trapped in Estonia, the south-eastern direction being cut off by German forces advancing from Poland to Pskov and Leningrad. The result was that the territories of the Baltic republics and of White-Russia were occupied by German military forces in about two weeks, and were proclaimed, by special decree of the German Government of July 28, 1941, to constitute the new German province of "Ostland". Moreover, the Nazis cynically proclaimed a new theory—the theory of being the "heirs to the Soviet inheritance."*

On October 19, 1941, the "Deutsche Zeitung im Ostland", the official organ of the German "Reichskommissar für das Ostland", published an authoritative announcement, issued by Dr. W. Zimmermann, the Reichskommissar's chief of press, concerning property rights in the territory occupied by Germany. In this matter the point of view of official Germany briefly is as follows:

"At the commencement of the German-Soviet War on June 22, 1941, private property did not exist in the countries under Soviet rule, so nobody can claim to be a legal proprietor. By sacrificing the blood of German soldiers, all these countries had been liberated. The German Reich, therefore, became the legal heir to the Soviet inheritance."

* *Latvia Under German Occupation*. 1941-1943. Published by the Press Bureau of the Latvian Legation, Washington, D. C., 1943.

Judging from decrees signed by Reichskommissar of the "Ostland", H. Lohse, and published on October 17, 1941, it becomes evident that even the former owners of real estate, buildings, and factories in the Baltic countries had to pay rent to the German Government. Similarly, all industrial enterprises had to pay even for the raw materials which they had in stock. This same policy also applied to farms and forests. By such acts the Germans indirectly legalized Bolshevik practices and even profited by them. Thus the German forces of occupation simply became "neo-Bolsheviks"*.

The Germans created a sort of "ersatz" administration in the Ostland to cover up German illegal acts.

The Berlin radio broadcast to the world that "Latvia has no chance to regain its independence", because "the twenty years of Latvian independence have proved to be a succession of fatal mistakes. . ."

There could be no doubts after such declarations as to German intentions to annex Latvia and the other Baltic countries. This was confirmed by the creation of a Ministry for the "Ostland," with the notorious Alfred Rosenberg in charge.

Thus the Germans prepared for Latvia a new martyrdom, being eager to exploit the resources and the energy of the Latvian nation for the benefit of Germany and its total warfare, just as they did in Norway, Denmark, Holland and Belgium. The German military and civil authorities tried, with all means at their command, to impress their will and overlordship on the Latvian people.

Mass arrests, executions and deportations of Latvian patriots and particularly of Latvians of the Jewish race started as soon as the German occupation was completed. Scores of thousands were massacred. After the eastern front once again had approached the frontiers of the Latvian republic, the activities of the German safety organs and of the political police increased considerably.

On February 19, 1943, the Nazis came forth with a decree of mobilization to the armed forces; on May 11 labor conscription followed. Persons evading mobilization were to be court-martialed and their relatives also punished. These measures served as signals for the Latvian youth to hide in the forests and to organize guerilla groups.

LATVIAN UNDERGROUND CENTRAL COUNCIL

In these circumstances a group of Latvian patriots in August 1943 formed a Latvian Central Council in the form of an underground organization. It organized and lead the Latvian

* R. Kraus. *Europe in Revolt*. New York, 1942, pp. 532 542.



**Bishop J. Rancans, Dean of Roman Catholic Theological
Department at Latvian State University
Deputy Chairman of Parliament
Leader of Resistance Movement Against Nazi Germans**

people's resistance movement against the German occupation power, stood for the reestablishment of an independent and democratic Latvian Republic, spread among the Latvians the knowledge of the principles of the Atlantic Charter and in general followed a policy based on the coming victory of Great Britain and the United States in World War II.

The presiding body of the Latvian Central Council included members of the presiding body of the last freely elected Latvian Parliament: Dr. P. Kalninsh (Social Democrat), President of the Parliament, K. Pauluks (Farmer Union), Deputy President and Bishop J. Rancans (Catholic), Second Deputy President of the Parliament. Latvia's principal political parties—the Agrarians, the Democrats, the Catholics, and the Social Democrats, which together polled two-thirds of the votes cast in the last parliamentary elections in Latvia, were represented in the Council.

Members and adherents of the Latvian Central Council suffered sacrifices in the pursuit of their objectives. A great many were arrested and interned in German concentration camps and a number were executed.

The President of the L. C. C., Dr. P. Kalninsh, was deported to Germany and died in 1945; Deputy President K. Pauluks died in 1944; the surviving Bishop J. Rancans also was deported by the Nazis but happily was liberated in time by the victorious Americans. He succeeded Dr. P. Kalninsh as President of the Latvian Central Council and is leading the struggle for Latvia's independence.



**Generals Eisenhower and Patton
Inspecting Latvian Displaced Persons Camp
in Germany in 1945.**

After the greatest part of Latvia was occupied by the Bolsheviks in 1944, the rest of the members of the Council fled abroad, because they were also persecuted by the communists as Latvian patriots.

MASS EXODUS OF LATVIANS

After the Bolsheviks, in the summer months of 1944, had succeeded to conquer Latgale, the eastern part of Latvia, and their looting, killing and raping cast a sinister omen of things to come, a mass exodus of Latvians began with the trend to move to the Anglo-American controlled part of Europe. Besides, the Germans forcibly evacuated men and women fit to work. About 6000 fled over the Baltic Sea to Sweden and Denmark in small fishing boats and even on rafts. Thousands perished. But there were more who could not escape and were trapped—their fate is gruesome!

Another group fled into the Peninsula of Kurzeme, in the hope of escaping from there to Sweden.

BOLSHEVIKS REOCCUPY LATVIA

In April and the beginning of May, 1945, when German military might was already on the verge of collapse, the Latvian patriots in Kurzeme renewed their activities in the underground "National Council," a body of 73 nationally elected members. They were resolved to fight for the restoration of a free Latvian republic. On May 7, 1945, the Council endorsed a Provisional Government under the premiership of Colonel Osis. This salvage attempt, unfortunately, came too late. Between May 8th and May 12th the Red Army also occupied

Kurzeme. Now punitive expeditions against Latvian patriots were again organized by the Bolsheviks in disregard of international law and all their obligations undertaken by the Atlantic Charter, and other international agreements with the Great Democracies.

At the end of 1944, when the Red army had conquered almost all Latvian provinces except Kurzeme, the Bolsheviks proclaimed the mobilization of all men, born up to 1926, and sent them, untrained, into the front lines, obviously as measure of revenge and punishment. The Reds spared neither old nor sick men nor cripples. They all had to go, to be mowed down by German machine guns or to freeze to death, left wounded in the wintry battlefield without care and medical aid. At the same time persecutions of the patriotic population were renewed.

Up to March 1945, 8,000 inhabitants of Riga were deported to Siberia, but between January 15th and May 1st, 1945, Latvian farmers, together with their families, about 150,000 persons, were deported as "kulaks". Their property and land were turned over to colonists from Russia. Some 38,000 Latvian laborers, according to other Soviet reports, had allegedly "voluntarily" left their homes and country to rebuild devastated Russia. The remaining Latvian farmers became tenants of the Bolshevik State, and all gainful enterprises also became property of the Soviet Union.

Much as the Latvian people in general had to suffer, the severest fate was reserved for Kurzeme, the last province subjected to Bolshevik rule. Beginning with March 31, 1945, the Communist controlled Madona broadcasting station repeatedly threatened with "Soviet revenge" those who refused to recognize the incorporation of Latvia into the Soviet Union and still dreamt about the restoration of a free and independent republic of Latvia. On May 7th, 1945, these threats increased in violence. Germany had already capitulated and now the Soviet monitor demanded, in superlatives, that Liepaja, the last unoccupied big city of Latvia, should be stormed at once, in order to get even with the hostile Latvian "capitalists" who had taken refuge there.

According to reliable reports, after May 12, 1945, all men 16 to 65 years of age, and women of 18 to 45 years, were mobilized in Bolshevik occupied Kurzeme. A great many of them, beyond doubt have been deported to Russia.

The Latvian people, however, do not despair; they have not lost their courage and strongly believe that the principles of the Atlantic Charter will still be applied also to Latvia. If Belgium, the Netherlands, Denmark and other European national states can be independent, so can Latvia and the other Baltic States.

HIGHLIGHTS OF LATVIAN-AMERICAN RELATIONS

LATVIANS ABROAD

Although Latvians are to be found practically all over the World, most of those abroad are in the Western Hemisphere and especially in the United States, where they have found it most suitable to live. The United States has always been a beacon of hope for oppressed European peoples.

Smaller colonies of Latvians are to be found in China, Australia, South Africa, Canada and in Argentine and Brazil in South America.

Granting facilities to acquire land, the United States and Canada were a very important point of attraction in the XIX century, especially to the landless Latvian farmers. They were practically unable to buy land in their home country because of the opposition of the German landowners, who needed cheap farm hands and tenants. However, Latvians came to America even earlier than the XIX century.

The very first Latvian settlers came to the United States in the middle of the XVII century from Livonia, then a part of Sweden. At that time Latvians were Swedish citizens and, therefore, these settlers were not specified as Latvians. The next group of immigrating Latvians came from the Island of Tobago after this colony of the Duchy of Courland was taken over by the Dutch at the end of the XVII century.

From 1860 to the proclamation of independent Latvia in 1918, a new wave of landless Latvians came to America as sailors and lumberjacks, looking for work, but also looking for religious freedom. Others emigrated simply because they could not tolerate the oppression of the German landlords and of the Russian bureaucracy. These circumstances culminated in the emigration of 1905 and 1906, after an unsuccessful insurrection in Latvia, which created a new wave of political refugees. These political refugees were especially active in organizing Latvian clubs and societies, and in publishing newspapers abroad.

There are also a considerable number of Latvians who came to America simply to make a better living and to build up their fortunes in this hospitable and beautiful land.

Today the total number of persons of Latvian origin living in the Western Hemisphere reaches approximately 250,000. The first Latvians settled mostly in the State of New York, later in New Jersey (Latvian colony of Lavallette), Illinois,

Massachusetts, Connecticut, Pennsylvania, Wisconsin, California, etc.

Close ties of blood and sweat bind the Latvians with the United States. It has been proven that numerous Latvians participated in the American Civil War, giving their lives for America's liberty and freedom. By occupation the Latvians in the United States are mostly farmers, artisans and skilled laborers; but there are also a number of pastors, engineers, physicians, professors, school teachers, business administrators, etc.

The religious life of Latvians in the United States is very intensive, the greater part of them being Baptists or Lutherans. Baptist parishes are to be found in: New York, Philadelphia, Boston and Chicago. Lutheran parishes are in New York, Philadelphia, Boston, Chicago and Cleveland. In Boston there are two Latvian Lutheran churches. Latvian preachers are also very active in social life, publishing their own monthly editions of news concerning their parishes, organizing various Christian societies, gatherings, charities, etc.

The most important Latvian organizations in the United States are the following:

Boston: Latvian Union in America (Amerikas Latvju Vieniba), the oldest Latvian organization in the United States; President: J. Sieberg, 299 Washington Street, Cambridge, Mass.

Cleveland: Cleveland Latvian Society; President: John Lerch, 3624 Fulton Road, Cleveland, Ohio.

Chicago: Latvian Club; President: John Skudris, 436 Lawler Ave, North, Chicago 44, Ill.

Philadelphia: Philadelphia Society of Free Latvians (the 50th Anniversary was celebrated in 1943); President: John Eideman, 531 North 7th Street, Philadelphia, Pennsylvania.

New York: New York Latvian Society (the 50th Anniversary was celebrated in 1943); President O. Jordan, 79 Beaufort Place, New Rochelle, N. Y.

Many Latvians are members of the American Legion.

The following Latvian periodicals are published in this country:

Drauga Vests (Friend's Message); Editor: Rev. C. Purgailis, 162 Second Avenue, New York, N. Y.;

The Beacon; Editor: R. Peterson, 52 Crary Avenue, Mt. Vernon, N. Y.

In South America a larger Latvian monthly "*Latvija Letonia*" appears; Editor: J. Bite, Casilla de Correo 2366, Buenos Aires, Argentina. This publication is distributed also in the United States.

* Discontinued publication in May 1947.

Finally, mention should also be made of a Latvian communistic weekly, *Amerikas Latvietis* (The Latvian in America), appearing in Boston. This paper (although published in Latvian) is a mouth-piece of Moscow and subservient to Soviet Russia. Small Latvian communist groups appear everywhere in the neighborhood of American-Latvian social and cultural organizations in order to hamper the activities of these civic organizations.

TREATIES SIGNED BETWEEN LATVIA AND THE UNITED STATES OF AMERICA

The following treaties have been signed between Latvia and the United States since the recognition of Latvia:

1. Treaty of Extradition, signed at Riga, Latvia, on October 16, 1923, effective March 1st, 1924.
2. Provisional Commercial Agreement, signed at Riga, February 1, 1926, effective April 30, 1926.
3. Tonnage Measurement Certificate Agreement, signed at Riga, November 3, 1927, effective in Latvia November 15, 1927, in the United States November 9, 1927.
4. Treaty of Friendship, Commerce and Consular Rights, signed at Riga, April 20, 1928, effective July 25, 1928.
5. Treaty of Arbitration, signed at Riga, January 14, 1930.
6. Treaty of Conciliation, signed at Riga, January 14, 1930.
7. Supplementary Treaty of Extradition, signed at Washington, October 10, 1934.

In addition to these bilateral treaties, Latvia is a cosignatory with the United States to numerous multilateral treaties.

TOPICS OF LATVIAN-AMERICAN TREATY OF 1928

The Treaty which came into force in the United States on July 25, 1928, has a subtitle: "Friendship, Commerce and Consular Rights." This indeed was the purpose of the Treaty, which is based on the principle of reciprocity and the most favored nations clause. The Treaty has 31 articles and is accompanied by a Protocol.

Article 1 of the Treaty provides that nationals of each country shall be permitted to enter, travel and reside in the territories of the other; to exercise liberty of conscience and freedom of worship; to engage in scientific, religious, philanthropic and commercial work of every kind without interference; to carry on every form of commercial trade, vocation, manufacturing industry and profession, not reserved exclusively to nationals of the country; to own, erect or lease and occupy appropriate buildings and to lease lands for residential, scientific, religious, philanthropic, manufacturing, commercial and mortuary purposes; to employ agents of their choice, and generally to do

anything incidental to or necessary for the enjoyment of any of the foregoing privileges upon the same terms as nationals of the State of residence or as nationals of the nation hereafter to be most favored by it, submitting themselves to all local laws and regulations duly established. The nationals of either country within the territories of the other shall not be subjected to the payment of any internal charges or taxes other or higher than those that are exacted of and paid by its nationals. The nationals of each contracting country shall enjoy freedom of access to the courts of justice of the other on conforming to the local laws, as well for the prosecution as for the defense of their rights, and in all degrees of jurisdiction established by law. The nationals of each High Contracting Party shall receive within the territories of the other, upon submitting to conditions imposed upon its nationals, the most constant protection and security for their persons and property, and shall enjoy in this respect that degree of protection that is required by international law. Their property shall not be taken without due process of law and without payment of just compensation. Nothing contained in this Treaty shall be construed to affect existing statutes of either of the High Contracting Parties in relation to the immigration, admission or sojourn of aliens or the right of either of the high Contracting Parties to enact such statutes. Dwellings, places of business and other premises shall be respected in conformity with laws (article 3). Testamentary dispositions and inheritance rights are also guaranteed (art. 4). Freedom of commerce and navigation are provided by articles 7-15, under requirement of reciprocity (art. 14). Also free transit was guaranteed (art. 16). Consular officers were to be received and also their rights are stipulated (articles 17-28). The treaty was concluded for 10 years but could be automatically extended if not notified otherwise.

AMERICAN MINISTERS TO LATVIA

Since the recognition of Latvia as an independent Republic, the United States has been represented at Riga by the following Ministers:

Evan E. Young, American Commissioner and Minister (now Vice-President, Pan-American Airways).....	1920-1922
Frederick W. B. Coleman (Deceased).....	1922-1931
Robert P. Skinner (retired as Ambassador to Turkey).....	1931-1933
John Van Antwerp MacMurray (now Special Assistant to the Secretary of State)	1933-1936
Arthur Bliss Lane (later Minister to Yugoslavia, at present Ambassador to Poland), resigned in March, 1947.....	1936-1937
John C. Wiley (at present Ambassador to Portugal).....	1938-1944

LATVIAN MINISTERS TO THE UNITED STATES:

Ludvigs Seja (afterwards Minister to Lithuania).....	1922-1927
Arturs B. Lule, Charge d'Affaires.....	1927-1935
Dr. Alfred Bilmanis.....	1935-

LATVIAN CONSULAR ESTABLISHMENTS

Consulate General in Washington, D. C., 1010 Vermont Ave., Room 320. Consulates in: Los Angeles, Indianapolis, New Orleans, Philadelphia and San Juan, Puerto Rico.

Latvia has also a consulate in Habana, Cuba; a chargé d'Affaires in Rio de Janeiro and a consulate in Sao-Paulo, Brazil. Latvian consulates are also in Canada: Halifax, Montreal, Toronto, and Vancouver; in Newfoundland, St. Johns; in Trinidad, Port of Spain, and in Grenada St. Joseph. There are also consulates in Australia and New Zealand.

LATVIAN-AMERICAN TRADE RELATIONS

Latvia imported the following articles from the United States: cotton, tobacco, dried and fresh fruits, lubricating oils, gums, sulphur, phosphorus, moving pictures, typewriters, calculators, radios, motor cars, tires, inner tubes and spare parts. It exported to the United States: butter, canned goods, candies, chocolate, clover seed, rye, flax threads, peat, pulp, plywood, hides, etc. During recent years trade between the two countries was as follows (in thousands of lats):

<i>Year</i>	<i>American Exports to Latvia</i>	<i>American Imports from Latvia</i>	<i>Balance</i>
1926.....	10,088	5,590	-4,498
1927.....	6,902	5,440	-1,422
1928.....	17,082	4,705	-12,377
1929.....	19,860	4,048	-15,817
1930.....	15,468	2,398	-13,075
1931.....	6,294	1,299	-4,995
1932.....	3,164	861	-2,303
1933.....	5,764	1,295	-4,469
1934.....	6,699	2,485	-4,214
1935.....	6,750	4,191	-2,559
1936.....	8,569	6,521	-2,048
1937.....	16,051	2,952	-13,129
1938.....	14,894	3,216	-11,178

It is evident from this table that, during the past twelve years, the balance of trade has been adverse to Latvia to the amount of almost 92 million lats. American imports from Latvia have steadily declined, but at the same time American exports to Latvia have continued to increase since 1932, and in 1937 Latvia imported goods from the United States,

the value of which was five times greater than that of the goods she exported to the United States. Latvia paid the balance from the income she got by exporting more to other countries, particularly to Great Britain.

CONTRIBUTION OF LATVIANS TO AMERICA'S PROGRESS

As the Latvian colony in the United States is rather small only a few have been prominent in America's cultural and economical life. Nonetheless, many Latvians graduated from colleges here and became professors, doctors, lawyers, architects, etc. The younger generation has become almost completely americanized, which is quite natural. Every American of Latvian descent who has made good in America is something for any Latvian to be proud of.

Several professors of Latvian descent are teaching in U. S. universities. The Latvian professor J. Ackerman is a well-known specialist in aeronautics and teaches at the University of Minneapolis. A Latvian inventor, engineer J. Chukan, is connected with the Harvester Company and teaches mathematics at the University of Chicago. Professor A. E. Murneek teaches agriculture at the University of Missouri. Professor Essenberg teaches at the University of Chicago. Professor P. Lejins, an authority on sociology, at present teaches at the University of Maryland. Professor M. Kasak, a prominent psychiatrist, teaches at the University of Milwaukee, specializing in mental diseases. He is also the director of the County Hospital for Mental Diseases in Milwaukee, Wisc. Professor K. Bittner teaches in Canada. Professor J. Eiman, is the director of the Department of Pathology at the Abington Memorial Hospital. John Dored, is connected with the Paramount News and is considered one of the best operators. Peter Kihss is on the staff of the New York Herald-Tribune.

Moral ties of friendship between the great American Nation and the Latvian people have been strengthened since Latvia regained its independence. The many Latvian Rotary Clubs, Y. M. C. A., Y. W. C. A., and the more than a thousand 4-H clubs indicate the Latvian admiration for the democratic spirit of America. There was a Society of Friends of America in Latvia. Cultural relations grew, thanks to the fact that English was a compulsory language in Latvian high schools and Riga had an English Institute to prepare teachers.

To commemorate George Washington, the Latvian capital Riga, the ancient capital of the Duchy of Kurzeme and Zemgale, Jelgava, and the biggest port of the Baltic, Liepaja, had streets and squares dedicated to George Washington.

APPENDIX I

TEXT OF THE CONSTITUTION OF THE LATVIAN REPUBLIC

Adopted by the Latvian Constituent Assembly Plenary Session
of February 15, 1922 *

The people of Latvia, through their freely elected Constituent Assembly, have adopted the following Constitution:

PART 1

General Provisions

1. Latvia is an independent democratic republic.
2. The sovereign power of the Latvian State is vested in the people of Latvia.
3. The territory of the Latvian State is composed of Vidzeme, Latgale, Kurzeme and Zemgale, within borders fixed by international treaties.
4. The Latvian national flag is crimson with a white stripe.

PART 2

The Legislative Saeima (Congress)

5. The Saeima shall consist of one hundred representatives of the people.
6. The Saeima shall be elected by general, equal, direct, secret, and proportional suffrage.
7. Latvia being divided into special election districts, the number of members of the Saeima to be elected in each district, shall be fixed in proportion to the number of voters in each district.
8. All Latvian citizens with full rights, of either sex, who on the first election day shall have attained the age of twenty-one years, are entitled to suffrage.
9. Any Latvian citizen with full rights, who on the first election day shall have attained the age of twenty-one years, may be elected to the Saeima.
10. The Saeima shall be elected for a period of three years.
11. Elections for the Saeima shall take place on the first Sunday in October, and the previous Saturday.
12. The newly-elected Saeima shall meet for the first session on the first Tuesday in November, on which day the term of office for the previous Saeima shall expire.
13. If the Saeima shall be dissolved and new elections shall take place at another time of the year, the new Saeima shall meet not later than one month after the election, and the term of office of that Saeima shall terminate after two years on the first Tuesday in November, simultaneously with the meeting of the newly elected Saeima.
14. The voters cannot recall individual members of the Saeima.
15. The Saeima shall hold its sessions in Riga, and only in consequence of extraordinary circumstances may it meet at another place.
16. The Saeima shall elect a Presidium, which shall consist of a President, two Vice-Presidents and a Secretary. The Presidium of the Saeima shall function uninterruptedly throughout the whole term of office of the Saeima.

* Valdības Vestnesis (Latvian Government Herald) No. 141, June 30, 1922.

17. The first session of the newly elected Saeima shall be opened by the President of the former Saeima or, on the instruction of the Presidium, by another member of the Presidium.
18. The Saeima itself shall judge the qualifications of its members.
19. The Presidium of the Saeima shall convene the regular sessions and call special or extraordinary sessions.
20. The Presidium of the Saeima shall be obliged to call special or extraordinary sessions if requested to do so by the President of State, the Prime Minister, or by not less than one-third of the members of the Saeima.
21. In respect to internal work the Saeima shall determine the rules of its proceedings.
22. The sessions of the Saeima shall be public, at the request of ten members, the President of the State, the Prime Minister or a Minister, the Saeima may hold secret sessions if not less than two-thirds of the members present are in favor of such a motion.
23. Sessions of the Saeima may be held if they are attended by at least one-half of the members of the Saeima.
24. With the exception of cases expressly mentioned in the Constitution the Saeima shall make its decisions by the vote of an absolute majority of the members present.
25. The Saeima shall appoint commissions, fixing the number of their members and their scope of activity. The commissions are entitled to receive all necessary information from the competent Ministers and also to invite Ministers and responsible workers of Government institutions to give explanations to the commissions. The commissions may function also between sessions.
26. The Saeima in certain cases shall appoint special parliamentary commissions of investigation, if this is requested by not less than one-third of the members of the Saeima.
27. The Saeima shall have the right to interrogate the Prime Minister, or the Ministers, to which interrogations the said Prime Minister, or the Ministers, shall be bound to reply personally or through an authorized responsible person in an official position. At the request of the Saeima or its commissions, the Prime Minister or the Ministers shall be compelled to submit any documents which may be required.
28. For voting one way or another, as well as for any utterances made in their capacity as members of the Saeima, members cannot be prosecuted in court, nor may any administrative disciplinary punishment be imposed upon them. Members of the Saeima may be prosecuted in court only (1) for slander, knowing it to be slander, (2) for defamation regarding private family life, even if the respective utterances are made in an official capacity.
29. A member of the Saeima cannot be arrested; his dwelling cannot be searched, nor his personal freedom restricted in any other way, unless the Saeima consents to such measures. A member of the Saeima may be arrested only if caught in the act of committing a crime. Within twenty-four hours of the arrest or detention of a member of the Saeima, the Presidium of the Saeima must be notified, and the Presidium shall place before the next session of the Saeima the question whether the arrested member is to be detained in custody or liberated. During the recess of the Saeima, the Presidium of the Saeima shall have the power to decide whether or not a member is to be held in custody.
30. No legal or administrative proceedings can be taken against a member of the Saeima for any criminal action, without consent of the Saeima.
31. A member of the Saeima shall be entitled to refuse to give evidence: (1) concerning persons who have given him, as representative of the people, certain information, or confided to him certain facts; (2) re-

garding persons to whom he, in his capacity as representative of the people, entrusted facts or information; (3) concerning such facts and information.

32. A member of the Saeima can neither in his own name nor in the name of other persons, assume Government contracts and concessions. The provisions of this article apply also to Ministers, who are not members of the Saeima.
33. Members of the Saeima draw a salary from the Government.
34. Nobody shall be liable to legal prosecution for giving information concerning the open sessions of the Saeima and commissions, provided such information is in keeping with the truth. Account of closed sessions of the Saeima or the commission may be given only by permission of the Presidium of the Saeima or the respective commissions

PART 3

The President of State

35. The President of State shall be elected by the Saeima for a term of three years.
36. The President of State shall be elected by secret ballot and must not receive less than fifty-one votes.
37. No person can be elected to the office of President of State, who has not attained the age of forty years.
38. The office of the President of State cannot be amalgamated with any other office. If a member of the Saeima is elected President of State, he must resign his membership in the Saeima.
39. One person cannot continuously occupy the office of President of State for more than six years.
40. At the session following the election of the President of State, he shall enter upon his duties by giving the following solemn promise: "I swear that all my endeavors shall be given for the good of the people of Latvia. I shall do everything in my power to further the welfare of the Latvian State and the prosperity of its inhabitants. I shall hold sacred the Latvian Constitution and the laws of the State, I shall be just to all, and I shall fulfill my duties to the best of my ability."
41. The President of State shall represent the State in international relations. He shall appoint Latvian diplomatic representatives and receive such representatives of other States. He shall execute the decisions of the Saeima in regard to the ratification of international treaties.
42. The President of State shall be the supreme leader of the armed forces of the State. In time of war he shall appoint the Commander-in-chief.
43. The President of State shall declare war in execution of the Decision of the Saeima.
44. The President of State shall have the right to take all necessary steps, from a military point of view, in the event that another state shall declare war upon Latvia, or an enemy shall invade Latvian territory. Simultaneously the President of State shall immediately convene the Saeima, which shall decide concerning the declaration of war and the beginning of hostilities.
45. The President of State shall have the right to pardon persons who have been sentenced by the court, but such right of pardon shall not apply to cases for which another mode of pardoning is established by law. Amnesty is a prerogative of the Saeima.
46. The President of State shall have the right to convene and to conduct extraordinary Cabinet sessions, appointing the order of the day for them.
47. The President of State shall have the right of legislative initiative.

48. The President of State shall have the right of initiative in the dissolution of the Saeima. After that a plebiscite shall take place. If more than one-half of the votes shall be registered in favor of dissolution, the Saeima shall be considered dissolved and new elections shall be held, to take place not later than two months after the Saeima has been dissolved.
49. If the Saeima shall be dissolved, the authority of the members of the Saeima shall remain in force until the new Saeima shall convene but the old Saeima can meet only if convoked by the President of State. The President of State shall appoint the order of the day for such sessions of the Saeima.
50. If more than one-half of the votes registered at the plebiscite shall be against a dissolution of the Saeima, then the President of State shall be considered as dismissed from his office, and the Saeima shall elect a new President of State for the remainder of the dismissed President's term of office.
51. At the request of not less than one-half of the total number of members of the Saeima, the Saeima may in a secret session, following a decision of not less than two-thirds of the total number of members, dismiss the President of State. After such action, the Saeima must without delay elect a new President of State.
52. In case the President of State shall resign his office, in the event of his death, or if he shall be dismissed prior to the expiration of his term of office, his duties shall be taken over by the President of the Saeima, pending the election of a new President of State by the Saeima. Likewise shall the President of the Saeima take the place of the President of State if the latter is absent from the territory of the State, or if he is otherwise prevented from attending to his duties.
53. The President of State shall bear no political responsibility for his actions. All acts emanating from the President of State must be countersigned by the Prime Minister or the competent Minister, who thereby assumes all responsibility for such acts, with the exception of contingencies mentioned in Articles forty-six and forty-eight.
54. The President of State can be subjected to criminal prosecution if this is consented to by the Saeima by a vote of two-thirds of its members.

PART 4

The Cabinet of Ministers

55. The Cabinet of Ministers shall consist of the Prime Minister and the Ministers invited by him to take office.
56. The Cabinet of Ministers is to be formed by such persons as may be designated by the President of State.
57. The number of Ministers and the scope of their work, as well as the mutual relations between State institutions, are to be established by law.
58. To the Cabinet of Ministers are subordinated the institution of State administration.
59. The Prime Minister and the Ministers require in the carrying out of their duties the confidence of the Saeima, and for their actions they are responsible to the Saeima. If the Saeima shall pass a vote of non-confidence in the Prime Minister, the entire Cabinet must resign. If a vote of non-confidence shall be passed against any one Minister, such Minister shall be required to resign, and the Prime Minister shall invite another person to take his place.
60. The sessions of the Cabinet of Ministers shall be conducted by the Prime Minister, and during his absence by a Minister authorized by him.

61. The Cabinet of Ministers shall discuss all bills proposed by the separate Ministries, as well as all questions relating to more than one Ministry, and also political questions submitted by separate members of the Cabinet.
62. If the State shall be threatened by an outside enemy, or within the State, or a part of it, disturbances shall break out, threaten to break out, the Cabinet of Ministers shall have the right to promulgate a "state of exceptional law," notifying the Presidium of the Saeima of such action within twenty-four hours, the latter to be required to submit such decision of the Cabinet of Ministers to the Saeima without delay.
63. Ministers, even if they are not members of the Saeima, and responsible State officials authorized by a Minister, shall have the right to participate in the sessions of the Saeima and its commissions and to submit additions and amendments to legislative bills.

PART 5

Legislation

64. The right of legislation is vested in the Saeima, and also in the people within the scope established by this Constitution.
65. Legislative bills may be placed before the Saeima by the President of State, the Cabinet of Ministers, the Commissions of the Saeima, a group of not less than five members of the Saeima as well as, under such circumstances and in the mode provided by this Constitution, by one-tenth of the voters.
66. Every year prior to the commencement of the fiscal year, the Saeima shall consider the State revenue and expenditure estimates, plans for which are to be submitted by the Cabinet of Minister.

If the Saeima shall adopt a budget which shall contain unforeseen expenditures, then the Saeima must also indicate the sources from which such expenditures are to be covered.

After expiration of the fiscal year the Cabinet of Ministers must submit to the Saeima for confirmation the accounts concerning the execution of the budget.
67. In the time of peace the Saeima shall fix the strength of the armed forces of the State.
68. All international treaties bearing upon questions which are to be regulated by legislation require the sanction of the Saeima.
69. The President of State shall publish the laws passed by the Saeima not before the seventh day after a law has been passed, and not later than on the twenty-first day after it has been passed. The law shall come into force a fortnight after its publication, unless another time is provided in the law.
70. The President of State shall publish the laws passed in the following way: "The Saeima (or the people) passed, and the President of State publishes, the following: (follows the text of the law)."
71. Within seven days after a law has been passed by the Saeima the President of State may apply to the President of the Saeima for a revision of such law, stating his reasons for such a request in writing. If the Saeima refrains from altering the law, the President of State shall raise no further objections.
72. The President of State shall have the right to delay publication of a law for two months. He shall be required to suspend publication of a law, if requested to do so by not less than one-third of the members of the Saeima. The President of State or one-third of the members of the Saeima, shall be entitled to wield this right during the seven days following the passage of the law by the Saeima. A law thus suspended

must be submitted to a plebiscite, if this is requested by one-tenth of the total number of voters. If no such demand is made within the above-mentioned period of two months, the law must be published. A plebiscite shall not take place if such a law is once more put to a vote in the Saeima and if the Saeima shall pass it by vote of not less than three-fourths of its members.

73. The following cannot be submitted to a plebiscite: the budget and law concerning loans, taxes, customs duties, railway tariffs, military service, declaration and commencement of war, conclusion of peace, proclamation and termination of the state of "exceptional law," mobilization and demobilization, as well as treaties entered into with foreign governments.
74. A law passed by the Saeima and suspended in accordance with Article seventy-one, can be cancelled by a plebiscite if not less than one-half of all voters have taken part in such a plebiscite.
75. If by a vote of not less than two-thirds of its members the Saeima shall pronounce the urgency of a law, then the President of State shall not be entitled to ask for a revision of such law nor may a plebiscite be taken on such law, and it is to be promulgated not later than three days after the adopted law has been passed on to the President.
76. The Constitution may be amended by the Saeima in sessions which are attended by at least two-thirds of its members. Amendments shall be passed after three readings, and with not less than two-thirds of the members of the Saeima present.
77. If the Saeima shall amend Articles one, two, three or six of the Constitution, then such amendments, in order to become valid, must be put to the plebiscite.
78. Not less than one-tenth of the number of voters shall have the right to submit to the President of State a fully compiled bill for the amendment of the Constitution, or a legislative bill, which shall be laid before the Saeima by the President. If the Saeima does not pass such bill without alteration of its contents, the bill shall be put to the plebiscite.
79. Amendments to the Constitution put to a plebiscite shall be considered as accepted if at least one-half of all votes shall be cast in their favor.
80. All Latvian citizens who have the right of suffrage in the Saeima elections may participate in the plebiscite.
81. In the intervals between the sessions of the Saeima the Cabinet of Ministers shall have the right, if the contingency arises to issue regulations which shall have the force of law. Such regulations, however, may not have for their object alteration of the Saeima Election Law, the law organizing administration of justice and regulating legal procedure, the budget and budget rights, nor may they alter any laws passed by the Saeima then in office; further, such regulations shall have no bearing upon amnesty, emission of currency by the State Treasury, State taxation, custom affairs, railway tariffs, and loans, and they shall become invalid if they are not laid before the Saeima not later than three days after the opening of the next session of the Saeima.

PART 6

Courts of Law

82. In the eyes of the law and the eyes of the court all citizens shall be equal.
83. Judges shall be independent and subordinated solely to the law.
84. Judges shall be confirmed in their capacity by the Saeima and they cannot be dismissed. Judges may be removed from office against their will only on the basis of a verdict of court. The age limit at which judges shall have to resign may be fixed by law.
85. Courts of law, with juries, on the basis of a special law, shall exist in Latvia.

36. Justice may be administered only by organs in which such rights are vested by law, and only in a manner provided by the law. Courts martial shall function on the basis of a special law.

PART 7

State Control

87. The State Control Department shall be an independent board.
88. State Comptrollers shall be appointed to and confirmed in their offices in a manner identical to that of judges, but only for a designated period, during which they may be removed from office only on the basis of a decision of court. The organization and duty of the State Control Department shall be fixed by a special law.

(Signed) J. TCHAKSTE,
President of the Constituent Assembly.

(Signed) R. IVANOV,
Secretary to the Constituent Assembly.



Flag Tower of the President's Castle at Riga

APPENDIX II

LATVIA AND THE U.S.S.R.

Comparative Statistics About Production and Consumption

The difference between Latvia's economic system, based on private property and cooperatives, and the alleged socialistic system of the U.S.S.R., is revealed by the following statistical tables. The data are compiled from official statistical publications of both countries (See: sources).

	<i>Latvia</i>	<i>U. S. S. R.</i>
Area in sq. mi.	24,700	8,176,000
(The area of the U.S.S.R. is 340 times that of Latvia)		
Population.	2 million	170.5 million
(The population of the U.S.S.R. is 85 times that of Latvia)		
Density per sq. mi.	81	21.4
Rural population.	68.5%	67.2%
Agriculture:		
Cultivated land.	60.0%	28.5%
Use of artificial fertilizers per hectare agric. land in kg.	28 (1929)	1.5 (1932)
Yield of grain in 1938-1937 per hectare in kg.	1,290	910
Yield of potatoes in 1937 per ha. in kg.	14,000	9,600
Grain crop in 1934-1938 per capita in kg.	630	600
Potato crop in 1937 per capita.	890	890
Sugar-beet crop in 1934-1938 per capita in kg	140	100
Livestock:		
Horses per 100 inhabitants.	20	10
Horned cattle per 100 inhabitants.	61	37
Pigs per 100 inhabitants.	41	18
Sheep per 100 inhabitants.	68	60
Dairy Production:		
Yield of milk in 1937 per cow in kg.	1,900	1,027 (in kolkhozi)
Milk production in 1938 per capita in kg. . .	885	170
Butter production in 1938 per capita in kg. . .	15	1
Meat production in 1938 per capita in kg. . .	85	21
Wool production in 1938 per capita in kg. . .	1.80	0.76
Flax fibre production in 1938 per capita in kg.	12	8.4
Forestry:		
Forests—percent of total area.	29	34.7
Hectares of forests per capita.	0.9	8.7
Lumber produced in 1937 per capita in cubic meters.	3.0	1.2
Boards produced in 1937 per capita in cubic meters.	0.6	0.2
Paper production from pulp in 1937 per capita in kg.	15.2	5.0
Production of Building Materials in 1938—per capita:		
Window glass, sq. m.	0.44	0.85
Cement in kg.	78	34
Bricks, pieces.	68	51 (1937)
Food Consumption in 1938—per capita in kg.:		
Meat.	85	21
Fish.	13	9
Sugar.	24.5	7.8
Coffee.	0.08	0.006
Milk in litres (about a quart)	566	170
Bicycle and Radio Production:		
One bicycle per.	40 inhabitants	440 inhabitants
One radio set per.	100 "	850 "
Housing:		
Floor space (in 1938) in cities per capita in sq. meters.	9	4

<i>Paper Consumption:</i>	<i>Latvia</i>	<i>U. S. S. R.</i>
For Cultural Needs in 1938, per capita in kg.:		
Newsprint.....	4.2	1.2
Printing paper for books.....	1.9	0.6
Stationery.....	1.3	0.8
For trade and industrial purposes.....	4.7	2.4
Total.....	12.0	5.0
<i>Wages:</i>		
Purchasing power of monthly wages of industrial worker of:		
Rye bread, kg.....	550	276
White (wheat) bread, kg.....	212	66
Pork meat, kg.....	88	21
Butter, kg.....	42	12
<i>Purchasing Power of Rye Flour in 1938:</i>		
For one Russian poud or 35.2 pounds of rye flour one could buy:		
Sugar, kg.....	4.9	0.5
Soap, kg.....	4.3	1.3
Cotton, meters.....	3.3	0.5
Kerosene, liters.....	14.5	4.2
<i>Weekly Wages of Worker in 1938.....</i>	<i>Lats 24.96 (One lat = 19.3 cents)</i>	<i>56.4 rubles (ruble = ?)</i>
<i>Retail Prices in October 1938:</i>		
In same monetary unit per kg.:		
Rye bread.....	<i>La.</i> 0.20	<i>RbL</i> 0.85
White (wheat) bread.....	" 0.56	" 1.75
Meat.....	" 0.90	" 12.97
Butter.....	" 2.33	" 12.97
Man's suit.....	" 45.30	" 600.00
Shoes, a pair.....	" 13.00	" 160.00
<i>Letters, sent in 1935 per capita.....</i>	26	9
<i>Railways, in kilometers, per 100 sq. km.....</i>	4.7	0.4
<i>Merchant Ships, in 1937, per 100 inhabitants, in net tons.....</i>	9.4	0.7
<i>Import of Goods in 1938, per capita, in gold dollars</i>	13.0	0.9
<i>Share in World Trade:</i>		
In percentage:		
1929.....	0.18	1.35
1938.....	0.19	1.10
<i>Latvia's Imports from U.S.S.R.—in 1938.....</i>	3.5 percent	
<i>Latvia's Exports to U.S.S.R.—in 1938.....</i>	3.0 "	
<i>Shipping—in 1938 (in million net reg. tons) entered ports of Latvia.....</i>	1.4	Leningrad—0.4
<i>Transit from U.S.S.R. over Latvia's ports, railways and waterways:</i>		
1936.....	201,478 tons	
1937.....	153,554 "	
1938.....	78,356 "	

The above published statistical data prove that it is quite logical for Latvians to prefer their own capitalistic-cooperative system, standard and the mode of living which they enjoyed during their independence.

The Latvians are ready, however, to cooperate economically with the U.S.S.R. on the basis of treaties signed freely to mutual benefit. Latvia had granted the U.S.S.R. free transit and even substantially reduced its railway tariffs for Russian transit goods from 10–70%, but this was of no avail to the Russians. Equally, Russia was not interested in developing trade relations with Latvia, which developed its economic life quite independently from the U.S.S.R. and without its assistance. The U.S.S.R. even demanded credits from Latvia, as a condition of importing more Latvian goods.

Latvian-Soviet Russian trade was based on a clearing procedure on a six months' basis.

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APPENDIX III

FINLAND, BALTIC STATES, POLAND and the U.S.S.R. Comparative Statistics

AREA AND POPULATION *

State	Area in 1,000 Sq. Km.	Population in Millions	Growth Rate†	Density Per Sq. Km.	Urban Population %‡
Finland.....	388	3.7	6.1	9	20 in 1930
Estonia.....	48	1.1	1.4	24.9	28 in 1928
Latvia.....	66	2.0	4.4	30.0	36 in 1935
Lithuania.....	56	2.7	9.1	45	15 in 1933
Poland.....	390	35.1	10.9	90	27 in 1931
U.S.S.R.....	21,176	175.5	?	8	20 in 1931

* *Concise Statistical Yearbook of Poland, Sept. 1939-June 1941, London, 1943, pp. 6, 14.*

† *Latvija Skaitļos, Riga, 1938, p. 520.*

‡ *Latviesu Konversācijas Vardnīca, Latv. Encycl., Vol. XI, p. 20700.*

POPULATION % ACCORDING TO OCCUPATION §

State	Census Year	Agriculture	Industry	Commerce Transportation	Civil Service	Other
Finland.....	1930	64.6	14.7	7.5	3.6	9.6
Estonia.....	1934	67.0	15.5	7.0	6.7	6.7
Latvia.....	1935	66.2	13.5	8.8	5.9	5.9
Lithuania....	1935	76.7	6.43	3.59	3.2	10.0
Poland.....	1931	60.9	19.3	9.7	4.25	5.5
U.S.S.R.....	1930	81.0	19.0	3.1	2.3	2.0

§ Op. cit., pp. 20701-20702.

LAND IN HECTARES *

(Per 100 Inhabitants)

	Census Year	Agricultural	Forests	Other Land	Together
Finland.....	1930	91	722	296	1109
Estonia.....	1931	255	86	105	436
Latvia.....	1929	193	87	67	347
Lithuania.....	1930	174	37	22	233
Poland.....	1931	80	26	15	121
U.S.S.R.....	1930	323	460	436	1324

* *Latvijas Konversācijas Vardnīca, Vol. XI, pp. 20703-20704.*

% OF UTILIZATION OF AREA †

	<i>Agricultural Land</i>	<i>Meadows and Pastures</i>	<i>Forests</i>
Finland.....	5.5	2.7	65.1
Estonia.....	23.9	38.5	20.7
Latvia.....	36.0	24.0	29.0
Lithuania.....	48.8	20.5	18.9
Poland.....	49.0	17.0	22.0
U.S.S.R.....	9.9	13.6	34.7

† Op. cit., pp. 20705-20706.

FARMS ACCORDING TO SIZE AND OCCUPIED AGRIC. AREA ‡

	<i>Census Year</i>	<i>Less than 100 Ha. %</i>	<i>% of Agric. Area</i>	<i>Over 100 Ha. %</i>	<i>% of Agric. Area</i>
Finland.....	1920	99.6	92.0	0.4	8.0
Estonia.....	1929	99.6	96.3	0.4	3.7
Latvia.....	1935	99.6	95.9	0.4	4.1
Lithuania.....	1930	99.4	95.7	0.6	6.3
Poland.....	1939	99.4	83.0	0.6	17.0
U.S.S.R.....	Mostly Kolkhozes (no private property on land).				

‡ Op. Cit., p. 20706.

LAND UNDER CEREALS*

(Index: 1923 = 100)

	<i>1929</i>	<i>1938</i>
Finland.....	103	120
Estonia.....	98	101
Latvia.....	95	119
Lithuania.....	107	114
Poland.....	115	119
U.S.S.R.....	100	106

* Statistical Yearbooks of the International Institute of Agriculture.

USE OF ARTIFICIAL FERTILIZERS †

	<i>In Kg. On 1 Hectare of Land</i>
Finland.....	?
Estonia, 1928-29.....	17
Latvia, 1928-29.....	28
Lithuania, 1929-30.....	28
Poland.....	?
U.S.S.R., 1932.....	1.5

† Latv. Konversācijas Vardnīca, Vol. XI, p. 20710.

INDICES OF POPULATION AND FOOD PRODUCTION IN 1938 ‡

	1913 = 100 <i>Population</i>	1923 = 100 <i>Rye</i>	1913 = 100 <i>Livestock</i>
Finland.....	124	165	120
Estonia.....	118	124	139
Latvia.....	116	174	140
Lithuania.....	145	152	111
Poland.....	134	118	129
U.S.S.R.....	119	117	126

‡ V. Raud, *The Smaller Nations in World's Economic Life*, London, 1941, p. 11.

YIELD PER HA. IN QUINTALS *

(Index: 1909-13 = 100)

	<i>Rye</i>		<i>Potatoes</i>	
	1920	1938	1920	1938
Finland.....	88	138	131	245
Estonia.....	88	123	95	126
Latvia.....	91	146	112	164
Lithuania.....	104	133	164	180
Poland.....	81	99	112	116
U.S.S.R.....	86	110	114	129

* V. Raud, op. cit., p. 10.

YIELD PER HA. IN QUINTALS †

(Average 1926-1930)

	<i>Rye</i>	<i>Wheat</i>	<i>Barley</i>	<i>Oats</i>	<i>Pota- toes</i>	<i>Flax ‡</i>	<i>Lin- seeds</i>	<i>Sugar Beets</i>
Finland.....	13.8	15.7	13.0	13.2	112.9	2.9	....	189.0
Estonia.....	11.2	10.7	9.9	8.8	113.0	2.9	3.0	....
Latvia.....	9.7	12.0	8.9	8.6	100.7	3.2	3.0	135.0
Lithuania.....	10.9	12.2	10.8	9.9	109.0	3.8	4.3	....
Poland.....	10.9	12.4	12.1	11.5	109.5	4.5	5.7	209.3
U.S.S.R.....	8.4	7.6	8.0	8.9	81.2	1.8	3.6	124.8

† Latv. Konversācijas Vardnica, Vol. XI, pp. 20709-20710.

‡ Average 1927-1941.

PER CAPITA PRODUCTION IN KG. §

(Average, 1929-1932)

	<i>Rye</i>	<i>Wheat</i>	<i>Barley</i>	<i>Oats</i>	<i>Potatoes</i>
Finland.....	91	9	43	174	290
Estonia.....	164	42	109	136	740
Latvia.....	137	90	100	180	590
Lithuania.....	221	108	100	167	750
Poland.....	200	60	47	78	970
U.S.S.R. #	144	148	38	100	190

§ Latv. Konversācijas Vardnica, Vol. XI, pp. 20711-20712.

Average 1926-1930.

LIVESTOCK PER 100 HA. OF AGRICULTURAL LAND *

(In 1932)

	<i>Horses</i>	<i>Cattle</i>	<i>Pigs</i>	<i>Sheep</i>
Finland.....	11	56	13	30
Estonia.....	7	25	11	18
Latvia.....	10	31	16	27
Lithuania.....	14	27	29	15
Poland.....	15	37	23	10
U.S.S.R. (1933).....	3	7	2.3	9

* L. K. V., Vol. XI, pp. 20713-20714.

LIVESTOCK PER 100 INHABITANTS †

(In 1932)

	<i>Horses</i>	<i>Cattle</i>	<i>Pigs</i>	<i>Sheep</i>
Finland.....	10	52	12	27
Estonia.....	19	63	28	47
Latvia.....	19	61	31	52
Lithuania.....	25	48	51	25
Poland.....	12	30	18	8
U.S.S.R. (1933).....	10	23	7	31

† Op. cit., pp. 20715-20716.

INDICES OF LIVESTOCK ‡

(Index: 1913=100)

	<i>Cattle</i>		<i>Pigs</i>	
	<i>1929</i>	<i>1930</i>	<i>1929</i>	<i>1933</i>
Finland.....	118	119	101	120
Estonia.....	126	138	102	140
Latvia.....	107	134	69	146
Lithuania.....	126	130	69	92
Poland.....	105	121	88	137
U.S.S.R.....	111	105	98	146

‡ V. Raud, op. cit., p. 10.

LIVESTOCK *

(in thousands)

	<i>Cattle</i>			<i>Pigs</i>		
	<i>1913</i>	<i>1929</i>	<i>1933</i>	<i>1913</i>	<i>1929</i>	<i>1933</i>
Finland.....	†1,606.1	1,902.6	†1,925.1	422.3	426.0	504.2
Estonia.....	478.5	603.9	660.9	274.5	279.1	384.5
Latvia.....	912.0	978.4	1,224.3	557.0	382.2	813.5
Lithuania....	918.0	1,160.1	1,193.1	1,358.0	943.6	1,249.5
Poland.....	8,663.7	9,056.7	10,553.7	5,486.6	4,823.6	7,525.1
U.S.S.R.....	§60,230.0	67,230.1	63,200.0	20,900.0	20,532.0	30,600.0

* According to the Yearbooks of the International Institute of Agriculture.

† 1912. ‡ 1937. § 1916.

PER CAPITA PRODUCTION IN 1930 IN KG.†

	<i>Milk</i>	<i>Meat</i>	<i>Butter</i>
Finland.....	....	?	4.3
Estonia.....	690	56	12
Latvia.....	680	63	10
Lithuania.....	?	?	4
Poland.....	?	?	?
U.S.S.R.....	120	16	0.2

† L. K. V., Vol. XI, pp. 20715-20718, 20721.

MOVEMENT OF INDUSTRIAL PRODUCTION §§

(Index: 1929 = 100)

	<i>1934</i>	<i>1938</i>
Finland.....	117	156
Estonia.....	96	145
Latvia.....	130	175
Lithuania.....	166	309
Poland.....	77	118
U.S.S.R.....	238	477

§§ *World Production and Prices*, League of Nations, 1940.

AVERAGE REAL INCOME PER HEAD OF POPULATION
GAINFULLY ENGAGED *

(Index: 1913 = 100)

	<i>Average, 1925-1934</i>
Latvia and the other Baltic States.....	136
U.S.S.R.....	94

* Colin Clark, *Conditions of Economic Progress*, London, 1940, p. 13. Also V. Raud, op. cit., p. 13.

STATE DEBTS AND NATIONAL INCOME †

	<i>(in lats: 1 Ls. = 19.3 cents)</i>		<i>National Income</i>	
	<i>Year</i>	<i>per capita</i>	<i>Year</i>	<i>per capita</i>
Finland.....	1931	110	1926	610
Estonia.....	175	....	....
Latvia.....	60	1929-1930	600
Lithuania.....	30	1929	280
Poland.....	80	1928	380
U.S.S.R.....	?

† L. K. V., Vol. XI, p. 20741.

BALANCES OF PAYMENTS †

(Goods, services, in terms of U.S.A. gold dollars)

	Finland	Estonia	Latvia	Lithuania	Poland	U.S.S.R.
1923.....	-6.7	.....	+3.3	.....	+19.6	.....
1924.....	+6.8	+0.1	-5.9	+2.4	-48.1	.....
1925.....	+2.3	+0.2	-6.0	+2.5	-69.2	.....
1926.....	+0.5	+0.3	-4.9	+1.8	-71.9	.....
1927.....	+1.9	+1.7	+4.3	+0.8	-82.0	.....
1928.....	-40.4	-1.9	+1.4	-0.5	-123.8	.....
1929.....	-12.0	-2.4	-4.9	+4.8	-67.6	.....
1930.....	+4.8	-1.5	+1.4	-0.2	-2.9	.....
1931.....	+23.5	+2.7	+4.2	-1.3	-1.3	.....
1932.....	+18.2	+0.9	+3.6	.....	.....	.....
				+2.6	+3.5	.....
1933.....	+19.7	+1.4	-1.7	+1.0	+3.5	.....
1934.....	+20.9	+1.9	.....	+0.6	+18.0	.....
1935.....	+14.4	+1.5	+1.8	.....	.....	.....
				+3.9	+9.5	.....
1936.....	+15.1	-0.3	+6.5	-0.3	+3.4	.....
1937.....	+12.9	+1.0	+4.5	-1.1	-23.0	.....
1938.....	+6.7	-0.8	.....	.....	.....	.....

† Balances of Payments, League of Nations Statistics.

PURCHASING POWER OF WEEKLY WAGES OF MALE LABORER IN 1938 *

	Bread (rye) kg.	Bread (wheat) kg.	Meat kg.	Butter kg.	Woolen Clothes metres	Man's suit	Shoes pair
Finland.....	115	43	35	15	3.2	0.48	3.4
Estonia.....	104	36	31	12	2.8	0.53	2.2
Latvia.....	125	95	28	10.5	2.6	0.55	1.9
Lithuania....	105	44	30	11.6	1.7	0.33	1.7
Poland.....	96	47	19	8.6	2.1	0.42	1.2
U.S.S.R.....	66	32	4.3	2.7	0.23	0.09	0.35

* L. E. Hubbard, *Soviet Trade and Distribution*, London, 1938, pp. 278, 290.

PURCHASING POWER OF ONE POOD (35.2 lbs.) OF RYE FLOUR †

	Finland	Estonia 1933	Latvia 1933	Lithuania 1933	Poland 1933	U.S.S.R.	
						1913	1933
Sugar (kg.).....	5.9	4.9	3.8	4.5	4.1	0.5
Soap (kg.).....	5.5	4.3	2.4	3.5	3.3	1.3
Cotton Print (metre).....	4.0	3.3	2.8	2.5	6.4	0.5
Kerosene (liter).....	17.1	14.5	11.9	11.9	27.0	4.2
Leather Boots (pairs).....	0.29	0.26	0.24	0.18	0.14	0.013

Ibidem.

WEEKLY WAGES OF MALE LABORER IN 1938 AND RETAIL PRICES IN OCTOBER 1938 †

Retail Prices

	Weekly Wages	Bread (Rye) per kg.	Bread (Wheat) per kg.	Meat per kg.	Butter per kg.	Woolen Cloth metre	Man's Suit	Laborer's Shoes (pair)
Finland (Fmk.).....	465	4.06	10.88	18.45	30.70	145	971.71 ¹	139.40
Estonia (Kr.).....	20.80	4.20	0.58	0.67	1.70	7.50	36.50	9.50
Latvia (Ls.).....	24.96	0.20	0.56	0.90	2.88	9.60	45.50	18.00
Lithuania (Lts.).....	26.16 ²	0.25	0.88	0.86	2.25	15.20	79	15.70
Poland (Zl.).....	29.30	0.31	0.68	1.55	3.41	14	70	25
Soviet Russia (Rbl.).....	56.40	0.85	1.75	12.97	21.00	250	600	160

† Yearbook of Labor Statistics, I.L.O., 1940; I.L.O., International Comparison of Food Costs, 1941; Statistical Publications of various countries.

¹ Made on order; ² November, 1938; ³ Unskilled Labor.

INDICES OF WHOLESALE PRICES *

(Index: 1929=100)

INDEX NUMBER OF COST OF LIVING

(Index: 1929=100)

	1934	1938	1934	1938
Finland.....	91.4	105.4	80	88
Estonia.....	72.6	85.3	74	93
Latvia.....	69.2	94.1	72	87
Lithuania.....	50.0	51.0	57	57
Poland.....	57.9	58.4	62	61
U.S.S.R.....	not available		not available	

* World Production and Prices, 1938-39, League of Nations, 1939.

PER CAPITA CONSUMPTION IN 1928 †

(In kilograms)

	Coffee	Tea	Cacao	Sugar
Finland.....	5.2	0.04	....	26.7
Estonia.....	....	....	....	22.7
Latvia.....	0.08	0.05	0.4	24.5
Lithuania.....	....	....	....	11.0
Poland.....	0.2	0.06	0.2	4.3
U.S.S.R.....	0.006	....	0.026	7.3

† L. K. V., Vol. XI, p. 20738.

PER CAPITA IMPORT AND EXPORT OF GOODS IN LATS †

	Imports			Exports		
	1930	1931	1932	1930	1931	1932
Finland.....	186	114	75	194	149	100
Estonia.....	122	76	45	120	88	52
Latvia.....	156	93	45	131	86	51
Lithuania.....	69	61	37	74	60	41
Poland (incl. Danzig).....	42	26	15	45	33	20
U.S.S.R.....	17	19	11	17	14	9

† Op. cit., pp. 20731-20732.

PER CAPITA IMPORT OF GOODS IN 1938 *

(In gold dollars)

Finland.....	29.5
Estonia.....	15.0
Latvia.....	18.0
Lithuania.....	8.5
Poland.....	4.2
U.S.S.R.....	0.9

* Review of World Trade, 1938. Also Statistical Yearbook of League of Nations, 1939-40.

PERCENTAGE SHARE OF WORLD TRADE †

	Population (in millions)	1929 %	1938 %
Finland.....	3.7	0.49	0.78
Estonia.....	1.1	0.09	0.12
Latvia.....	2.0	0.18	0.19
Lithuania.....	2.7	0.09	0.16
Poland.....	35.0	0.38	0.40
Baltic States, incl. Poland.....	44.5	1.23	1.65
U.S.S.R.....	175.5	1.35	1.10

† V. Raud, op. cit., p. 21.

GREAT BRITAIN'S TRADE WITH BALTIC STATES AND U.S.S.R. ‡

	1928-1930 Average				1936-1938 Average			
	Import		Export		Import		Export	
	£ mill.	%	£ mill.	%	£ mill.	%	£ mill.	%
Finland.....	13.5	18.0	3.1	37.4	20.1	22.7	5.2	45.8
Estonia.....	2.3	9.9	0.5	35.1	2.1	17.5	1.0	34.8
Latvia.....	5.3	8.8	1.3	27.6	4.5	20.5	1.5	38.4
Lithuania.....	0.6	7.6	0.4	19.1	3.1	31.8	1.9	42.7
Poland.....	2.8	8.6	1.8	10.5	4.0	12.5	2.1	19.4
Total.....	24.5	.....	7.1	.....	33.7	.....	11.7	.....
U.S.S.R.....	27.4	6.3	4.4	22.8	22.5	15.1	4.4	29.6

‡ V. Raud, op. cit., pp. 25, 27.

TRADE INTERCOURSE BETWEEN THE BALTIC STATES AND SOVIET RUSSIA*

	Soviet Russia's Trade with the Baltic States in 1936-1938 † (average percentage)		Baltic States Trade with Soviet Russia in 1936-1938 (average percentage)	
	Imports from	Exports to	Imports from Russia	Exports to Russia
Finland.....	0.3	0.6	1.5	0.5
Estonia ‡.....	0.35	0.45	5.3	3.9
Latvia ‡.....	0.3	0.4	3.5	3.0
Lithuania.....	0.9	0.95	8.2	5.4
Poland.....	0.3	0.8	1.2	0.5

* According to the Statistics of League of Nations.

† 1938-10 first months only.

‡ Average of 1936 and 1937.

SOVIET RUSSIA'S TRANSIT THROUGH THE BALTIC STATES ‡

(Total in 1,000 tons thereof)

Years	Exports Imports		
1935.....	362.6	346.0	16.6
1936.....	431.6	417.6	14.0
1937.....	198.9	186.7	12.2
1938.....	99.3	87.0	12.3

‡ H. E. Ronimois. *Russia's Foreign Trade and the Baltic Sea*. London, 1946. p. 39.

SHIPS OWNED IN 1937

	Per 100 Inhabitants Tons
Finland.....	15.2
Estonia.....	14.9
Latvia.....	9.4
Lithuania.....	....
Poland.....	0.3
U.S.S.R.....	0.7

* *Latvija Skaitļos*, Riga, 1938, p. 535.

NET REGISTR. TONNAGE OF ENTRANCE †

(In Million N.R.T.)

	1936	1937	1938
Helsinki, Finland.....	2.2	2.4	2.6
Tallinn, Estonia.....	1.1	1.1	1.1
Riga, Latvia.....	0.9	1.2	1.0
Liepaja, Latvia.....	0.3	0.3	0.4
Klaipeda, Lithuania.....	0.8	0.8	0.9
Gdynia, Poland.....	4.9	5.6	6.5
Leningrad, U.S.S.R.....	0.4	....	....

† *Concise Statistical Yearbook of Poland*, 1941, p. 89.

RAILWAYS §

	Year	Kilometres	Per 100 Sq. Km.
Finland.....	1935	5,757	1.5
Estonia.....	1935-36	1,434	3.0
Latvia.....	1937-38	3,350	4.7
Lithuania.....	1936	1,634	3.2
Poland.....	1935	17,895	5.5
U.S.S.R.....	1934	83,509	0.4

§ *Latvija Skaitļos*, Riga, 1938, p. 532.

AUTOMOBILES ‡

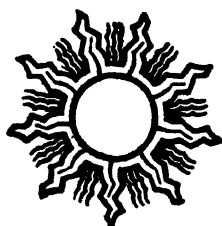
	Year	<i>Automobiles and Trucks</i>	<i>One Automobile Per Inhabitants</i>
Finland.....	1937	35,527	107
Estonia.....	1937	4,509	250
Latvia.....	1938	5,829	337
Lithuania.....	1937	2,031	1,230
Poland.....	1937	27,426	1,248

‡ *Latvija Skatīlos, Rīga, 1938, p. 533.*

TELEPHONES, LETTERS, TELEGRAMS *

	<i>In 1936 Inhabitants per one Telephone</i>	<i>In 1935 Letters sent per capita</i>	<i>Telegrams per 100 Inhabitants</i>
Finland.....	22.4	26	35
Estonia.....	44.3	35	21
Latvia.....	27.3	26	27
Lithuania.....	123.2	16	9
Poland.....	135.6	23	11
U.S.S.R.....	?	9	59

* *Latvija Skatīlos, Rīga, 1938, pp. 533, 534*



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